MSSC
MARINE SOCIETY & SEA CADETS

REPORT & ACCOUNTS

For the year ending 31 March 2026

MSSC Patron and Admiral of the Sea Cadet Corps: Her Royal Highness, The Princess Royal
MSSC President: Admiral Sir Philip Jones GCB DL

Marine Society & Sea Cadets. a charity registered in England and Wales 313013 and in Scotland SCO37808

OVERVIEW

Marine Society and Sea Cadets (MSSC) is a charity that helps launch young people for life and supports aspiring and serving seafarers in achieving successful careers.

With a clear aim to be the leading maritime charity for youth development and lifelong learning, MSSC is committed to investing in and supporting all of our beneficiaries so they can achieve their potential whatever path they choose.

Our vision for **Sea Cadets:** "*Every young person launched for life*". We seek to achieve this by: Inspiring young people to achieve their potential through challenge and nautical adventure guided by the customs and traditions of today's Royal Navy.

Our vision for **Marine Society:** "*Every current and future seafarer and maritime professional skilled for life"*. We seek to achieve this by: Enabling current and future seafarers to realise their potential through learning and career development.

We know that our work has a transformational impact on both individuals and the communities they live and work in, positively affecting their life chances and benefiting their communities and society as a whole.

2025/26 IN REVIEW

Buoyed by growing demand for our services among young people and aspiring maritime professionals, MSSC has enjoyed another hugely positive year: working to build our capacity to meet that demand while ensuring the range and quality of our offer remains as attractive and relevant as possible. Extra impetus was provided by the Strategic Defence Review's (SDR) acknowledgement that cadet forces play a crucial role in instilling young people with vital skills, values and a sense of community. This message was strongly endorsed by senior government ministers and Royal Navy leaders throughout the year, generating a feeling of optimism that has strengthened our commitment to making MSSC a bigger and more effective organisation.

The SDR's recommendation for 30% growth in cadet numbers by 2030 chimed with the sense of ambition we had previously outlined in our Future Ready Strategy, which charts our course until the end of 2027/28. And as we await more detail on the sources of funding and support that will be made available to achieve future growth, we are wasting no time in laying the groundwork that will help us put those resources to effective use: streamlining systems; increasing support to volunteers; and investing in capacity and facilities – all while ensuring the highest standards of safety and safeguarding, and making our training even more engaging and impactful for beneficiaries.

Progress has been made though continued enhancements to the programmes and activities we deliver for offer for cadets, volunteers and seafarers. We've also worked hard to strengthen key partnerships with the Royal Navy, maritime sector, funders, and the communities we're so proud to serve.

Revitalised leadership
With a new CEO, Guy Holloway, taking the helm in May 2025, we've also benefitted from his global experience in delivering life-changing programmes for young people – giving the whole charity a fresh perspective on leveraging our unique expertise and resources to maximise public benefit. As well as building on the formidable body of work accomplished during the tenure of his predecessor, Martin Coles CBE, Guy is passionate about building new partnerships and exploring innovations in training, support and delivery – to ensure MSSC can help growing numbers of young people and maritime professionals fulfill their potential.

Within the Sea Cadet Corps, those efforts have also been energised by the appointment of a new Captain Sea Cadets, in Captain Hannah MacKenzie VR RN. Captain MacKenzie brings a wealth of experience from a variety of high-profile Royal Navy roles – encompassing international operations, personnel, and community engagement – along with invaluable insights from a successful civilian career in the financial sector.

Captain MacKenzie will continue the work of Captain Neil Downing RN in developing our volunteers and strengthening our partnership with the Royal Navy, while also bringing her expertise to bear in creating a truly inclusive learning environment. Her appointment as our first female Captain (and Director of Operations) also reflects the forward-looking future of our charity, in which we hope to attract growing numbers of women and girls into both Marine Society and Sea Cadets – making MSSC an even greater champion of diversity and engine of social mobility.

A year of achievement at sea
An offshore voyage remains the pinnacle of the Sea Cadets Experience and a symbol of our historic roots and connection with the Royal Navy. And 2025/26 was a particularly special offshore season, marking the 10th anniversary of our flagship TS Royalist – which underwent the second phase of its comprehensive 10-year refit over the winter.

Thanks to the successful first phase or its renewal and refurbishment, Royalist was able to give over 500 cadets an adventure of a lifetime during the 2025 season. This included a fantastic showing in the 2025 Tall Ships Races, where Royalist finished in second place in the first leg's sprint from Le Havre to Dunkirk – an impressive achievement against 40 top international vessels with more experienced crews. Staying in the top five during a challenging second leg to Aberdeen, cadets then proved to be superb ambassadors for Sea Cadets at the Tall Ships Festival which attracted half a million visitors.

Another offshore highlight was the powerboat TS John Jerwood's voyage across the channel accompanying the Association of Dunkirk Little Ships for the 85th anniversary of the evacuation. It was a huge honour for Sea Cadets to be given such a special role in the commemorations, with our young people proudly assisting HRH Prince Michael of Kent at several official ceremonies in France.

Both activities were great demonstrations of the way offshore voyages can build confidence and teamwork through nautical adventure and contributed to over 50,000 offshore boating hours delivered in 2025. Overall time spent under training amounted to just over 116,000 hours when including the domestic onboard learning that is a vital part of the holistic offshore experience. 1,391 offshore berths were filled in total, including almost 600 on the two powerboats and around 300 on the yachts, TS Sir Stelios and TS City of London.

Overcoming challenges to delivery
Offshore boating hours and berths filled were both down by around 15% on the previous year due to a combination of factors. These included Royalist missing over a month of sailing as a result of her refit, while the powerboat TS Jack Petchey required unplanned repairs which took it out of the water for several days. There was also a significant amount of time lost due to unusually adverse weather conditions – including during the passage of Storm Floris across the UK in early August – which required the Offshore Team to prioritise the safety of cadets and take shelter. Despite this disruption, together with the extreme weather and environmental water quality issues which impacted inshore boating, overall boating hours remained over 400,000 – down just 1.7% on 2024/25. This represents an exceptional effort from volunteers, instructors and boat station teams, ensuring our key KPI of 30 boating hours per cadet was achieved once again.

Total beyond unit training days were up significantly on 2024/25, reflecting our continued work to put more activities within the reach of more cadets by increasing District-level delivery. This resulted in an 18% increase in the number of qualifications awarded – supported by an outstanding year for our Duke of Edinburgh's Award programme, which delivered a record 537 completions.

Maintaining a platform for future growth
The emphasis on maintaining the highest possible delivery of boating hours and qualifications, together with a major push to ensure all volunteers completed new mandatory training, meant that cadet and volunteer recruitment fell slightly during the year. Despite this, cadet numbers were down just 2% at 13,722, with the average length of stay increasing from 26 to 28 months since April 2024. Volunteer numbers remained stable at over 8,700 – with the average length of stay increasing from 54 to 60 months during the year. This stability will give us an excellent platform to prioritise growth in numbers in 2026/27, supported by the expansion of capacity which continued this year. We were delighted to open 35 new sections across the UK, with 26 supported by the Department for Culture, Media and Sport funding which is helping us make Sea Cadets accessible in deprived areas. With future growth in mind, this expansion included 20 new junior sections – as the transition from junior to senior cadet has been shown to be the most effective route to growing overall numbers.

Reaching new communities
Community outreach remains the second key pillar of growth, and we opened six pioneering 'SeaVenturers' sections to support that theme during the year. Designed to offer a lighter-touch experience of Sea Cadets, the SeaVenturers initiative is already giving us a presence in new communities while helping us appeal to a broader range of families and potential volunteers. And with the SDR also recommending closer working between the Ministry of Defence and the Department for Education to develop a greater understanding of the Armed Forces among school pupils, we also stepped up our classroom engagement – reaching 18,691 young people through 162 sessions in 92 schools.

On The Water – our initiative to introduce marginalised young people to boating and watersports – also grew substantially in 2025/26. The summer holiday programme was extended to include Scotland for the first time, with sessions at our Port Edgar Boat Station serving participants from the Edinburgh region. Alongside our regular locations in Birmingham and London, it meant we could give over 1,100 hard-to-reach young people (up from 966) the chance to try kayaking, paddleboarding, windsurfing and sailing – all while earning 160 recognised qualifications.

Working with the Royal Navy
Our new sections and the growth of our community outreach align strongly with the Royal Navy's priorities for cadet forces – as outlined by the Second Sea Lord, Vice Admiral Paul Beattie CBE at MSSC's Annual Court in October – in seeking to help all young people access cadet opportunities; supporting the delivery of life skills and STEM education; and increasing cadet engagement with the Royal Navy and wider maritime sector.

The Second Sea Lord's speech, and his subsequent visit to view seamanship skills in action on TS Royalist, were both symbolic of the mutual benefits of closer engagement – with Sea Cadets proud to be face of the Royal Navy in so many communities around the UK, and hugely grateful for the the RN's crucial contribution to our operations (in the form of funding, personnel, facilities and equipment).

Once again, around a third of cadets had the opportunity to meet serving members during the year, both during Royal Naval Parades at units and on visits to ships or establishments. And cadets benefitted enormously from these opportunities: whether sampling basic training during District Naval Awareness Weeks at HMS Raleigh; competing against RN teams in the Junior Leaders Field Gun at HMS Collingwood; or taking part in STEM challenges at RNAS Yeovilton.

As a result of this engagement, our 2025/26 Impact Survey found that a growing proportion of cadets (87%, up from 75% last year) say that Sea Cadets makes them feel connected to the Royal Navy, with 67% (up from 65%) saying we've made them more likely to join the RN.

Marine Society
Marine Society followed a remarkable year of growth in its apprenticeships programme by matching 2024/25's record number of 17 new apprentices recruited. We ended the year with 28 apprentices engaged (up from 21) as the programme continued to flourish in every region of the UK. New employers taking part in the scheme include Stena Line, DFDS Ferries, Yachthavens Marinas and Shoreham Port, while we were delighted that increasing engagement with Sea Cadets led to a number of serving cadets and volunteers taking up apprenticeships. We also saw growing numbers of apprentices complete their End Point Assessments on the way to forging successful maritime careers, whether securing full-time roles within their organisations or going on to further training or specialisation.

Across the rest of Marine Society's offer, 2025/26 saw a 20% increase in the scholarships and bursaries awarded to seafarers, while growing numbers of maritime professionals found employment on land through our Coming Ashore programme – which also delivered an increase in mentorship hours. We continued to grow and diversify our curriculum, with more enrolments on our Level 3 Maritime Studies course and progress made in developing a new RYA Yachtmaster and Maritime Skills Bootcamp courses. Our popular Learn@Sea/Shore digital curriculum supported even more seafarers too, with a 12% growth in courses purchased.

Our work to create and strengthen vital relationships across the sector was boosted by Marine Society being chosen as the charity beneficiary of the UK Chamber of Shipping's Summer Lunch in Edinburgh – a prestigious event which generated several donations on the day and won new engagement from many of the 120 members in attendance. New partnerships sealed during the year included the signing of a Memorandum of Understanding with the Institute of Marine Engineering, Science and Technology (IMarEST), which should mark the beginning

of an exciting collaboration that will benefit the development and wellbeing of seafarers. And among our existing partners, we welcomed the Merchant Navy Welfare Board's decision to renew its support for our Digital Library for Seafarers service – which proved to be a valuable learning and recreational resource for seafarers arriving at UK ports throughout 2025/26.

With Marine Society once again meeting the Matrix Standard benchmark for high-quality information, advice and guidance, our continued focus on improving learner experiences and outcomes is set to make 2026/27 another year of enhancement and growth in our offer to beneficiaries.

Looking to the future

We're acutely aware that any increase in the number of cadets we support will require at least as much growth in volunteer numbers. Which is why we'll be stepping up our advocacy around our campaign for a statutory 35 hours of volunteering leave for every UK adult – bringing on board influential partners such as the Youth United Foundation and Shape the Future.

In the short term, we'll build on recent progress in implementing a simpler and more efficient volunteer onboarding process, while expanding the promotion of our Cadet to Volunteer programme to encourage more cadets to stay on as adults. To build on recent progress around retaining the excellent volunteers we already have, we will continue our efforts to make volunteer training even more convenient and engaging, while increasing support through a new volunteer mentoring programme. And because timely recognition plays a vital part in increasing volunteers' length of stay, we will continue to streamline volunteer promotions and medal applications.

We will also ensure that the National Sea Cadet Advisory Council remains an important forum for gathering practical ideas for growth – by providing a forum for senior volunteers to share what is working well at growing units or think creatively and radically about new solutions. This will require the whole organisation to be nimble and flexible while continuing to explore different way of delivering training – whether trialling new times, locations or partnerships (including with other Cadet Forces).

While future sources of additional funding remain uncertain, and inflation threatens to erode the real value of our spending power, we will also continue to prioritise work to diversify our sources of income. This will include growing our new Friends of Sea Cadets programme for alumni and supporters; developing new corporate sponsorship opportunities; accessing new sources of government funding; and launching more fundraising appeals – following the tremendous success of the TS Royalist refit appeal. As we work to sieze the opportunities ahead, we will strive to ensure that the individual cadet experience remains as good as it is now, with the same quality of outcomes – if not even better.

OUR VALUES AND CULTURE

We are driven by what we do and the impact we have. We are proud of our work, approaching it with positivity, enthusiasm and urgency as we seek to deliver more inspiring futures. Guided by the views of volunteers, cadets and employees, we have updated the way we define our six core values – to emphasise the importance of inclusion, inspire loyalty to the organisation, and redouble our commitment to doing our best.

MSSC values

Respect:
We are inclusive, considerate and professional.

Loyalty:
We put our beneficiaries first and pull together to achieve our shared goals.

Self-discipline:
We are focused and structured in our work to achieve the best possible outcomes.

Commitment:
We are committed to the charity's goals and to work creatively to find solutions.

Honesty & Integrity:
We are open, honest and treat everyone fairly.

Courage:
We do what we know is right and support others to do the same.

Sea Cadet values

Respect:
To be inclusive, appreciate others and considerate of all.

Loyalty:
To be faithful to those who value and support me.

Self-discipline:
To do my best and do what I must.

Commitment:
To do what I say I will.

Honesty & Integrity:
To tell the truth and be a good person.

Courage:
To do what I know is right.

ENGAGING MARGINALISED YOUNG PEOPLE AND EMBRACING DIVERSITY

With 55% of Sea Cadets units are located within areas of relative economic disadvantage compared to 33% for other youth groups (according to the latest available National Youth Census, 2023), we continue to aspire to make Sea Cadets even more accessible to the young people who could benefit most from our activities.

Our latest available data, at 31 March 2026, shows that:

- **22%** of cadets identify as disabled, neurodiverse or SEND (17% national benchmark)
- **6%** of cadets are **looked after children** (1% national average)
- **8%** of cadets are **young carers** (6% national average)
- **10%** of cadets identify as **autistic** (2% national average)
- **9%** of cadets identify as **ADHD** (5% national average)
- **14%** of cadets are from a **non-white ethnic minority** (16.2% national average)
- **10%** of aged 12+ cadets identify as **non-heterosexual** (3.3% general population)
- **38%** of cadets are female and **62%** male (no change on the year but up from 36% female in 2023)

OUR FUTURE READY STRATEGY

The strategy, developed with our cadets, volunteers and employees, charts a clear course for the next five years to 2028. It is about meeting the growing demand for what our charity offers young people, seafarers and maritime professionals, while equipping them for a world of increasingly rapid change.

For cadets, this means providing a unique mix of non-formal education, challenge and adventure that develops confidence and resilience; builds teamwork and leadership skills; and instills clear values, within a safe and inclusive environment, where cadets have a real voice – all of which will ensure our young people can thrive whatever their futures. For seafarers, this means providing the practical learning opportunities, online support and expert mentoring which will allow them to upskill and progress throughout their careers – with the versatility and adaptability to seize new opportunities and make full use their talents.

The Future Ready Strategy is designed to create the conditions where we are:

- Developing an urgency for growth and delivering on it
- Fully embracing flexible volunteering
- Becoming fully inclusive
- Creating a youth centred approach
- Driving cadet voice
- Equipping seafarers with the essential skills they need
- Ensuring a positive and supportive employee experience

We will achieve this by focusing on the following key themes:

Enhancing **Our Offer** to cadets

Having listened to cadets' views, the Future Ready Strategy aims to:

- expand our range of training and activities.
- ensure the Sea Cadets Experience reflects today's Royal Navy.
- develop support for mental health and emotional wellbeing.
- empower young people to shape their own experience.

Enhancing **Our Offer** to seafarers
Responding to the priorities of the UK's Maritime 2050 strategy, Future Ready aims to:

- increase apprenticeship opportunities.
- broaden our maritime curriculum.
- promote and support maritime careers.

Equipping **Our People** to support our beneficiaries
To ensure our volunteers and employees have the skills and support they need to thrive, Future Ready aims to:

- implement leadership and management training.
- deliver the skills to help volunteers provide youth-centred activities.
- explore opportunities for flexible volunteering.

Embracing **Inclusion** throughout MSSC
Guided by the recommendations of our independent Equity, Diversity & Inclusion audit, Future Ready aims to:

- update our policies to promote EDI and challenge inappropriate behaviour.
- provide EDI training and support for volunteers and employees.
- ensure that we reflect the communities we serve.

Creating the conditions for **Growth**
To address the growing demand for our services, and make our offer more accessible to minority groups, Future Ready aims to:

- open new sections and units, including in new locations.
- develop targeted outreach for under-represented communities.
- support an additional 4,500 cadets by 2028 (1,500 per year).

Strengthening our underpinning **Enablers**
To achieve all the impact outlined above, Future Ready aims to deliver the investment that will:

- improve our environmental approach and reduce our carbon footprint.
- provide the new facilities and equipment needed to support cadet training.
- drive our ongoing digital transformation.

We are clear that safety and safeguarding are paramount to everything we do and therefore foremost in all of the objectives in the strategy.

WHAT WE ACHIEVED IN 2025/26

We set out 10 key outcomes to guide delivery in the second year of our new strategy, backed by detailed plans to achieve them. We note our progress against each below:

OUR OFFER for sea cadets

1. ***Enhancing the Sea Cadets Experience***
   We delivered:
   - 125+ Air Rifle Centres and Unit Drill Hubs, supported by an operating Regional Shooting hub network
   - Continued growth in Beyond Unit Training, with more cadets accessing activity outside their unit and 45%+ of Beyond Unit training now delivered at district level
   - A new Offshore syllabus, which was piloted and rolled out to strengthen the quality and consistency of offshore training
   - Improved support and quality assurance for cadet training, including updated learning sessions, clearer documentation for specialisations and proficiencies, and welfare training to support residential activity

2. ***Empowering more people through Cadet Voice***
   We delivered:
   - Regular Cadet Voice forums in 60% of units
   - Further national and Area projects shaped through cadet co-production
   - Support for National Cadet Voice Team members and Cadet Trustee Committee members to represent Sea Cadets at external events.

3. ***Increasing engagement with the Royal Navy***
   We delivered:
   - Opportunities for 30% of cadets to meet serving Royal Navy personnel through unit activity, visits to Royal Navy ships and establishments, and wider engagement events
   - Further updates to specialisations and proficiencies to reflect today's Royal Navy
   - Virtual spotlight sessions with the Royal Navy Attract Team and a pilot Royal Marines experience course
   - District Naval Experience Weeks at HMS Raleigh, giving cadets direct exposure to Royal Navy life and facilities

4. ***Maritime career opportunities increased for cadets***
   We delivered:
   - Regional careers fairs and webinars to help cadets explore maritime, Royal Navy and wider marine-sector opportunities
   - The launch of Level 1 Maritime Studies enrolment
   - Marine Society and maritime careers content embedded into the Sea Cadets Training Programme & Royal Marines Cadets Training Syllabus
   - Sponsorship opportunities for Sea Cadets into Merchant Navy Cadetships

WHAT WE ACHIEVED IN 2025/26 (cont)

OUR OFFER for seafarers and maritime professionals

5. ***Marine Society College offer further developed***
   We delivered:
   - 17 new apprentices (matching 2024/25's record year), helping to grow the number of apprentices on our programme from 21 to 28 by the year end (with some apprentices coming to the end of their courses during the year).
   - 75% of apprenticeships delivered directly, achieving our target for the year
   - An RYA Yachtmaster course developed with first practical and theory courses delivered successfully
   - 119 scholarships and bursaries awarded to seafarers (up from 99), including 86 Slater scholarships (up from 79)
   - 54 Coming Ashore registrations (down from 77 but almost reaching our target of 60) with 12 seafarers securing jobs onshore (exceeding our target of 10).
   - 6 enrolments on our Level 3 Maritime Studies course
   - 271 Learn@Sea/Shore courses sold (up from 240) generating revenue of £26,289

OUR PEOPLE

6. ***Increasing support for volunteers and employees***
   We delivered:
   - Further development of the District Leadership and Management course, supporting volunteers in key local leadership roles
   - A national framework for volunteer mentoring, alongside work to remove barriers to role sharing and flexible volunteering
   - An embedded programme of training for those working with young people, with a pipeline of new and redeveloped volunteer training
   - 30+ places on management and leadership training courses for employees, alongside wider development opportunities for staff

INCLUSION & GROWTH

7. ***Providing Sea Cadets to even more young people***
   We delivered:
   - 17+ new sections or units opened, including new Junior and Senior sections and satellite models
   - All DCMS-funded sections parading, helping more young people access Sea Cadets
   - Further development of new models for growth, including non-traditional formats and targeted outreach activity, subject to external funding

8. ***Progressing our approach to Equity, Diversity & Inclusion:***
   We delivered:
   - Virtual EDI training for volunteers and Area EDI Leads appointed and trained
   - Six policies reviewed through an EDI lens, alongside further work to review the Sea Cadets Promise, prayers, blessings and spiritual content
   - Expanded EDI support and resources, including further e-learning, digital accessibility work, and broader representation of the EDI Advisory Group
   - A more inclusive chaplaincy, including the appointment of non-Christian chaplains

ENABLERS

9. Digital and facilities improvements:

We delivered:

- A review of the Unit Review process to strengthen support, assurance and planning across units
- Continued development of the Sea Cadets Portal and improvements to digital volunteering onboarding, including integration with Westminster
- A training facilities plan and progress on key facilities work, including completion of five MoD leases
- Forward plans for ley training assets, including the T500, sliding seat (Yole) replacement and offshore vessel options for the next 10 years
- Continued delivery of volunteer training online

10. Essential support delivered:

We delivered:

- £2.1m of funding to support cadet activities
- Further work to secure government and external funding for growth and outreach programmes
- The first year of the "Friends of" programme, building a new route for supporter engagement and regular giving

OTHER MAJOR MILESTONES IN 2025/26

Leading VE Day 80 celebrations

Sea Cadets' proud involvement in the 80th anniversary of VE Day helped engage our cadets and volunteers across the UK with communities and veterans. Highlights included Bognor Regis Unit helping to launch the Royal Navy's participation on board HMS Duncan and City of London Unit's commemorations being filming for BBC London. Cadets also represented Royal Navy Cadet Forces on The Mall for the VE Day Parade and flypast, while our First Sea Lord's Cadets and Rickmansworth & Watford Unit played important roles at the Westminster Abbey Service of Thanksgiving.

Earning recognition during Remembrance

Sea Cadets' community leadership in honouring Remembrance was praised in the House of Commons by the Armed Forces Minister Al Carns MP, who remarked: "Cadets play such an important part [in Remembrance], with Sea Cadets right at the forefront." The Sea Cadet Corps was once again grateful to be represented in the Westminster Abbey Field of Remembrance, with Her Majesty Queen Camilla visiting our plot to pay tribute to the 59 former members of the Corps who died in conflicts, military action or voluntary service.

Celebrating DofE achievement

The DofE Gold Award Celebration at Buckingham Palace in May 2025 saw our participants commended for volunteering a combined 20,098 hours in their communities. One of our gold recipients, PO (SCC) Miles Hayward – a cadet turned volunteer at Brentwood Unit – was even chosen to give a speech to the 2,000 guests, explaining how Sea Cadets' DofE programme helped him become a paddlesports instructor and environmental campaigner. Meanwhile, our outgoing National Staff Officer for DofE, Lt Cdr (SCC) Steve Coles RNR, was personally thanked by the Duke for his 56 years of support for the awards.

Expanding Cadet Voice
We strengthened our programme to give cadets a say in shaping their organisation: including by recruiting seven new volunteer roles to increase support for the initiative. Cadet Voice members attended the main party conferences in Autumn 2025, where they enjoyed positive engagement with ministers and MPs and made strong arguments in favour of MSSC's campaign for every UK adult to be granted 35 hours of statutory volunteering leave each year.

Cadet-led conference events included a 'Breaking Down Barriers to Volunteering' panel discussion praised by the Minister for Veterans and People, Louise Sandher-Jones MP. Cadet Voice members also continued to work to ensure their peers' views were heard during government consultations on the National Youth Strategy. Sea Cadets has a cadet-turned-volunteer sitting on the Youth Advisory Group to the strategy, while cadets gave direct evidence to MPS of the All-Party Parliamentary Group during its meetings at the House of Commons.

National honours for volunteers and employees
MSSC was enormously proud to see three of our Sea Cadets units named as winners of King's Awards for Voluntary Service in 2025. Our Greenwich, Twickenham and Sefton Units were the only cadet force units to be honoured, with Sea Cadets being the best-represented youth group overall. We also celebrated MBEs for services to youth work for Lt Cdr (SCC) Fay Taylor RNR (volunteer Commanding Officer of Sefton Unit and our National Trafalgar Day Events Officer) and Mr Paul Wilkinson (our Director of Young People, Volunteer & Business Support) as well as British Empire Medals for CPO (SCC) Chris Gunton of Greenwich Unit and Mrs Nina Villa (chair of Cheshunt Unit and London Area).

Outstanding achievement in aviation
The number of cadets earning Gold Wings through the RNCF Naval Aviation programme increased to four, following a dynamic summer of courses at RNAS Yeovilton. 30 aspiring aviators had initially been selected from more than 250 candidates; those who excelled on the Ground School course and progressed through aptitude and practical assessments made it through to the final stage – where they developed their skills during extended flights supported by instructors from 727 Naval Air Squadron.

A very special National Trafalgar Day Parade
Sea Cadets' annual showpiece for over 400 cadets and volunteers was notable for two unique highlights: the 61-strong Display Band featured only cadets for the first time, while six young people from Bermuda Unit travelled over 3,500 miles for the island's debut appearance in Trafalgar Square. The band produced a remarkable performance after just one day of rehearsal – where they were supported by members of HM Royal Marines Band Service (who were mostly former sea cadets themselves). Reviewing Officer for the day, Admiral Sir Tony Radakin KCB ADC, the former First Sea Lord and Chief of the Defence Staff, praised the discipline, teamwork and volunteer support that created a "magnificent" parade.

Welcoming our new Captain Sea Cadets
Tuesday 16 December saw a very special Captain Sea Cadets Supersession at HMS Hibernia in Lisburn – the first time this 'handover' ceremony has been held in Northern Ireland. As well as allowing over 150 cadets, volunteers and VIPs to say farewell to Captain Neil Downing RN, the event also marked the appointment of the first female Captain Sea Cadets, in Captain Hannah MacKenzie VR RN.

Representing the UK during the German State Visit
Two Sea Cadets volunteers represented UK youth volunteering at a Windsor Castle reception attended by Their Majesties King Charles III and Queen Camilla – who were hosting the Federal President of Germany, Frank-Walter Steinmeier. Sub Lieutenant (SCC) Fliss Rundle RNR, Officer in Charge of Bognor Regis Sea Cadets, and S/Lt (SCC) Jordyn Bond RNR, Commanding Officer of Salisbury Sea Cadets, both enjoyed the chance to speak with The King on how our volunteers support cadets and deliver positive social impact in communities across the UK.

Employee Conference showcases talented cadets
In a first for MSSC's bi-annual Employee Conference, three inspirational cadets were part of a live video interview with MSSC CEO Guy Holloway. Appearing on the big screen in front of over 100 employees, the cadets spoke with confidence and eloquence as they explained how their cadet experience had helped them develop life skills and identify future career paths.
Later in the conference, cadets from Northampton Unit demonstrated their leadership skills by hosting special 'taskmaster' workshops with delegates. All three sessions were highly effective in giving employees a tangible sense of the youth development they are supporting.

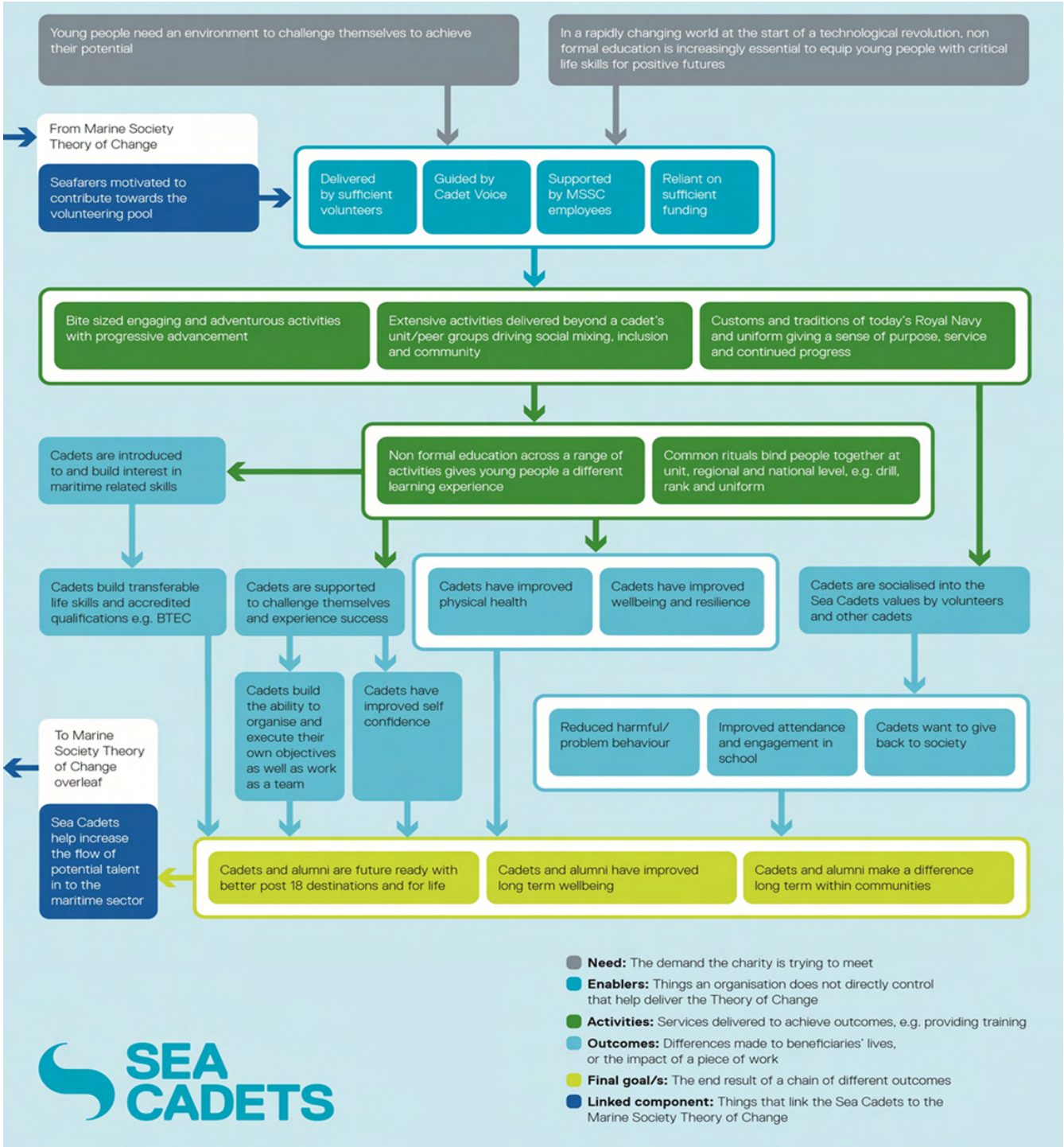
High-profile recognition for apprentices
2025's Seawork trade fair proved to be an excellent showcase for Marine Society's apprenticeships, seafarer bursaries and commercial courses. Partnering with UKSA, we shared a stand in the Workboat Association Pavilion visited by 16 Marine Society apprentices (many joined by their influential employers) leading to some valuable networking opportunities.
The Southampton International Boat Show also helped to promote our Marina and Boatyard Operative apprentices, several of whom took part in skills demonstrations at their employer stands. The show's annual apprenticeship awards, presented by British Marine, even saw two of our apprentices – Oliver Rickard and Tina Swann – both win achievement awards.

Apprentice Dawson stars at MSSC Conference
For the very first time, the MSSC Employee Conference in Northampton hosted a keynote speech from a Marine Society apprentice. The speaker was particularly insightful as a serving cadet with Littlehampton Sea Cadets, Cadet Dawson – who was interviewed on stage by MSSC CEO Guy Holloway about his Small Commercial Vessels Crew Member apprenticeship. Dawson gave an inspirational description of how his Sea Cadets experience led to him work in a busy maritime enterprise – at Shoreham Port, where much of his time is spent supporting tug operations.

Through his apprenticeship, Dawson is building practical skills while completing online sessions and hands-on training at UKSA on the Isle of Wight. As someone diagnosed with autism, he also spoke of the benefits of the supportive and structured environment provided during his apprenticeship. Dawson's journey demonstrates how early engagement through Sea Cadets, combined with apprenticeship opportunities, can help a diverse range of young people build lasting careers in the maritime sector.

SEA CADETS THEORY OF CHANGE

Our theory of change illustrates how our interventions build to deliver immediate and enduring positive impacts for young people.



OUR IMPACT: How Sea Cadets changes young people

Based on 1,239 responses to our 2025/26 Impact Report survey of cadets

ENHANCING LIFE SKILLS, CONFIDENCE AND WELLBEING

Sea Cadets has improved:

- My ability to work with others in a team - **88%** of cadets surveyed agreed (24/25: 89%)
- My physical health **64%** (up from 61%)
- My skillset for later life **88%** (up from 86%)

Sea Cadets:

- Is a supportive environment **90%** (no change)
- Gives me useful qualifications **92%** (up from 89%)
- Has improved my wellbeing / how I feel day to day **77%** (new measure)
- Will help me to get a job **44%** (down from 46%)

ACHIEVING PERSONAL GROWTH THROUGH THE SEA CADETS VALUES

Respect
- Sea Cadets has improved my team working **88%** (down from 89%)

Loyalty
- Sea Cadets has increased my involvement with my local community **70%** (down from 77%)

Self-discipline
- Sea Cadets has helped me do better at school or in other education **57%** (down from 59%)

Courage
- Sea Cadets has reduced my involvement in risky or anti-social behaviour **47%** (down from 49%; however, **79%** of parents agreed with this statement about their young person in 25/26)

Commitment
- Sea Cadets has improved my ability to make decisions and see them through **69%** (no change)

Honesty & integrity
- Sea Cadets has made me feel that other people can count on me **77%** (up from 76%)

Parent and carer responses

"Sea Cadets has *greatly improved* my child's …":

- Self-confidence and belief in their own abilities **66%**
- Motivation to take part in things **63%**
- Sense of loyalty **61%**
- Willingness to work hard **47%**
- Communication skills **47%**
- Ability to cope with new situations **47%**
- Honesty and integrity **44%**

THE SEA CADETS EXPERIENCE

Sea Cadets 12–18yrs			Royal Marines Cadets 13–18yrs			Junior Sea Cadets 9–12yrs[1]
0–2 years (NEC–CFC)[2]	2–4 years (CFC–AC)	4–6 years (AC–POC)	0–1 year (REC–RMC)	1–3 years (RMC–LCPL)	3–5 years (LCPL–SGT)	0–3 years (JC–LJ)

Sea Cadets values[3] are woven into our training

	Sea Cadets 12–18yrs			Royal Marines Cadets 13–18yrs		
Sea Cadet life skills	Basic	Int	Adv	Basic	Int	Adv
Cadet training Prog/Syllabus[4]	Basic	Int	Adv	Basic	Int	Adv
Specialisation (e.g. Marine Engineering)	1	1	1			
Proficiency (e.g. Musician)						
Waterborne proficiency	1	1	1	1	1	1
Boating (Hours afloat)	60hrs	60hrs	60hrs	30hrs	60hrs	60hrs
Offshore voyages		1	1		1	1
BTEC		✓	✓		✓	✓
Event or competition	✓	✓	✓	✓	✓	✓
RN or RM event	✓	✓	✓	✓	✓	✓
DofE Award: (Bronze, Silver, Gold)	✓	✓	✓	✓	✓	✓
(RMC) Skill at Arms Training				1	2	2
(RMC) Shooting				1	1	1

	Junior Sea Cadets 9–12yrs[1]
Sea Cadets life skills	Intro
Learning about your unit	15 modules
Outdoor activities	15 modules
Waterborne activities	15 modules
Community activities	15 modules
Boating (Hours afloat)	90hrs[5]
Participation Awards (Waterborne and STEM[6])	2

Key

1	Numbers show the amount of qualifications, modules, hours, events or training days
Int	Basic Intermediate Advanced
	Optional courses
✓	Supported activity

SEA CADETS

1. Nine year olds currently limited to targeted locations.
2. Ranks and rates of cadets.
3. The Sea Cadet values are respect, loyalty, self-discipline commitment, honesty & integrity and courage.
4. Is the foundation of the experience, delivered at units.
5. Based on three year experience at 30hrs per year.
6. Science, technology, engineering and mathematics.

Marine Society & Sea Cadets, a charity registered in England and Wales 313013 and in Scotland SC037608

OUR IMPACT: what the Sea Cadets Experience delivered for young people in 2025/26

Overall statistics on activities delivered in 2025/26:

- Total boating hours: **416,248** (down from 423,523)
- Boating hours per cadet: **30** (down from 30.3)
- Cadets experiencing a week-long voyage via our offshore fleet: **1,391** (down from 1,591)
- Total beyond unit training days: **70,689** or 5 per cadet (up from 56,802 or 4 per cadet)
- Total qualifications awarded: **37,655** (up from 31,966)
- Qualifications per cadet: **2.7** (up from 2.3)
- BTEC vocational qualifications: **790** (down from 1,103)
- Duke of Edinburgh's Awards completed: **537** (up from 523)

Future prospects

- **72%** of parents/carers (no change) felt Sea Cadets would help their young person join the maritime sector.
- **75%** of parents/carers (no change) felt Sea Cadets would help their young person join the Royal Navy.
- **78%** of parents/carers (up from 77%) felt Sea Cadets would help their young person find a job.
- **60%** of cadets (up from 59%) said they had been helped to know what sort of job they wanted to do.

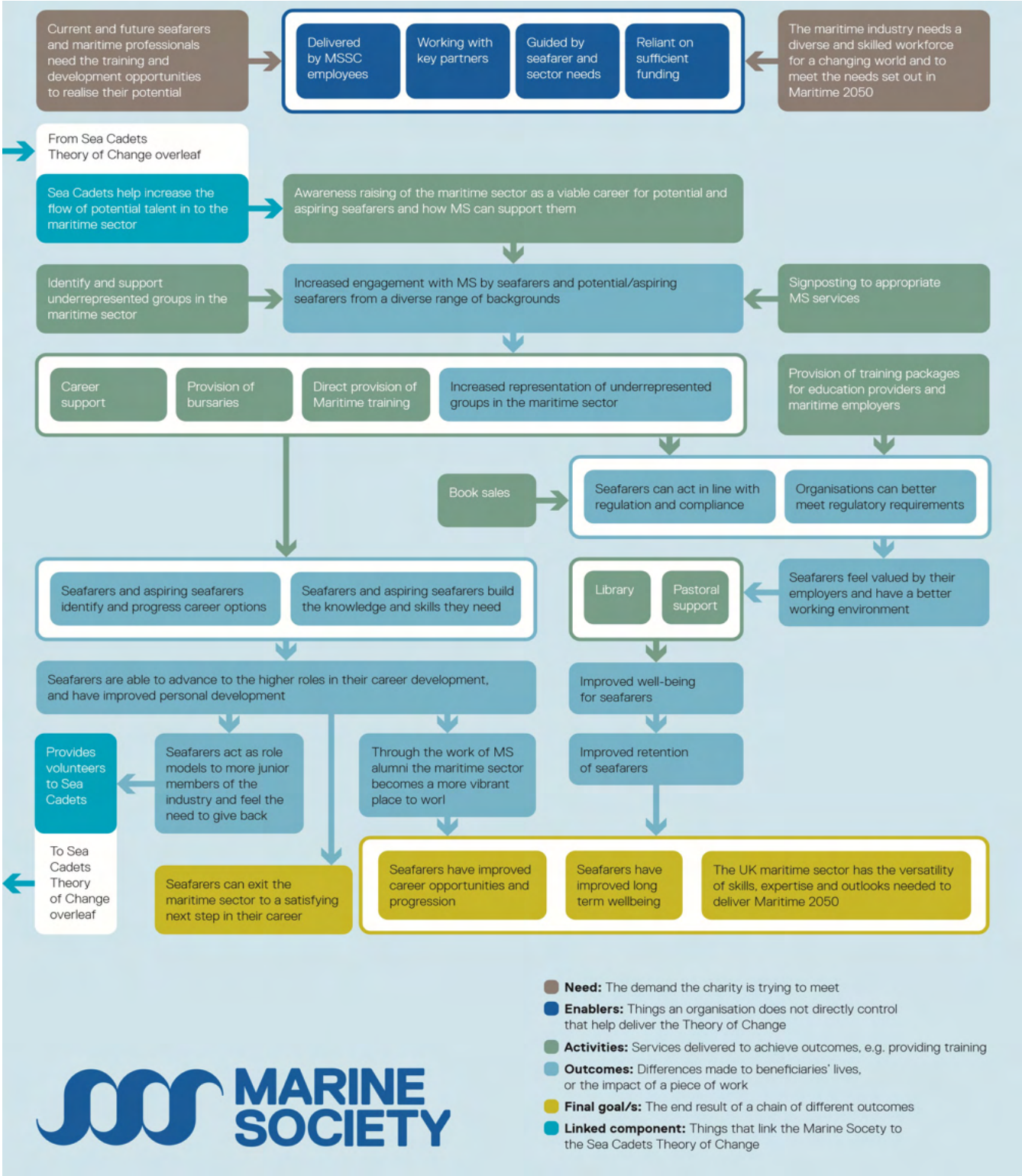
Cadet Bracken, Eastern Area, on the impact of her Sea Cadets Experience:
"I joined the sea cadets out of pure curiosity – to try something new at a time when I very much lacked a purpose. When I first joined, I was in awe of what a different environment it was, with all these new words and routines to learn. I was embarrassingly bad at rowing, hated the idea of drill, and was a terrible public speaker. Over time I learned to love these aspects, and with the help of my fellow cadets we always found a way to push each other to be better. After many hours of prep, practice and feedback, I have since achieved the highest rank of Petty Officer Cadet, earned my Offshore Watch Leader qualification on TS Royalist, and gained so many qualifications in sailing, windsurfing, kayaking, power boating and first aid.

Through the National Cadet Voice Team, I have had the privilege of representing cadets across the country; interviewing candidates for senior employee roles; advocating for our volunteers with ministers and MPS; and planning the National Cadet Conference in June 2026. I have also been given the opportunity to become a Cadet Trustee of MSSC, and will now be working with trustees, the CEO and Captain Sea Cadets to improve the Corps' policies.

Sea Cadets is the most incredible thing a young person can do. It's an electric environment every young person should have the opportunity to be a part of. The staff and peers around you will push you out of your comfort zone and I guarantee after a year of being in cadets, you will not recognise yourself. There is never a moment you do not feel inspired to go and do the next thing. The vocational skills and friendships you make along the way outweigh any skills you learn in education."

OUR THEORY OF CHANGE FOR MARINE SOCIETY

The following diagram shows how we engage and support current and future seafarers and maritime professionals, delivering immediate impact and enduring benefits for them and the maritime sector.



OUR IMPACT: how Marine Society helps seafarers change their lives

Changing lives – in numbers:

12 Coming Ashore mentees securing jobs onshore

10 seafarers furthering careers in the offshore and renewable energy sector with support from our Green Skills Bursary

38 ratings achieved their first Certificates of Competency supported by the Slater Fund

297 hours of one-to-one mentoring delivered to seafarers looking to move to a shoreside role

Seafarer feedback on Marine Society support

"Marine Society have been exceptional in supporting me through my end-point assessment and helped me with any queries or issues that I have had during my time at CldN Ports so far. I would like to continue working with the company and continue to thrive in this working environment, making the necessary steps to build a career here."
Erin Broad, Port Operative Apprentice and Marine Society's Apprentice of the Year

"Being awarded the Slater Scholarship has made a huge difference in my life. Without this, I may never have got the chance to become an Officer or to secure the new job position I now have with my company, Stena Drilling. It hasn't just made a difference in my life; Marine Society was also a massive help throughout my studies. Because of this, I have now started my new role within Stena Drilling as a Trainee Dynamic Positioning Officer onboard drill ships in the Gulf of Mexico."
Grant Guechdi, Slater Scholar and John William Slater Award winner

"My apprenticeship has helped me learn so much, including vessel handling, health and safety, and engineering. Going to UKSA to start the courses was amazing and the help I get from Marine Society has been extraordinary – they've been brilliant with coursework and deadlines. In five years, I'd like to have finished my apprenticeship and have my Yachtmaster qualification. I'd love to start as a deckhand on the tugs and eventually progress to becoming a tug master."
Dawson Hill, Sea Cadets volunteer and Small Commercial Vessels Crewmember apprentice

"After sixth form, Marine Society's qualification in Maritime Studies offered the opportunity to pursue a subject which couldn't be chosen in school. The course was dynamic, interesting, motivating, and adaptable to my unpredictable work schedule. I became confident in my decision to pursue a career in maritime, and the qualification helped me secure a position as a trainee Third Officer in a sponsored cadetship with AW Crewing."
Christopher J. Wardle, Level 3 Certificate in Maritime Studies achiever

"I joined the Coming Ashore programme because I didn't really know my options or the best approach. My mentor was proactive, approachable, and very well connected. He arranged work experience after our first meeting and made considerable efforts to ensure I made the most of my time there. The experience confirmed I am making the correct decision to come ashore and has shown me the potential career development pathways I can take."
John Whetton, Coming Ashore mentee

MSSC's top 10 goals for 2026-27

OUR OFFER

1 Training increased

- 50% of Units actively engaging with Programmes on Line
- All Air Rifle Centres/Unit Drill Hubs activated
- Regional Shooting Hub network operating
- STEM based careers modules developed and implemented

2 More training delivered at District level

- Implement a structured planning framework for all beyond Unit activity

3 Cadet Voice further increased

- 75%+ of units holding regular cadet forums

4 Cadet Royal Navy engagement increased

- 2+ specialisations/proficiencies updated to reflect today's Royal Navy
- 2+ careers & STEM workshops delivered in each Area
- RM Troop Experience course delivered and embedded into national programme

5 Maritime career opportunities for cadets increased

- 20 Careets Awareness Webinars run
- 300 cadets enrolled in Level 1 Maritime Studies

6 Marine Society College offer further developed

- 30 further apprentices enrolled
- 2 Merchant Navy Cadetships sponsored
- 300 seafarers engaged through the Digital Library

OUR PEOPLE

7 Volunteers and employees further supported

- Volunteer mentoring framework implemented across 2+ Areas
- District management and leadership course embedded
- 30+ employees provided management and leadership training

INCLUSION & GROWTH

8 Offering Sea Cadets to even more young people

- 500+ more cadets
- 15+ new sections/units opened

9 Our approach to EDI further progressed

- 2 new EDI e-learning packages developed
- Develop and implement a clear support pathway setting out how volunteers and employees may access EDI related guidance, support and escalation
- Implement an accessibility audit tool for use across Sea Cadet centres and other relevant environments

ENABLERS

10 Essential support delivered

- £4.1m+ fundraising delivered
- Identification of a educational partner to support environmental action as part of the cadet programme
- Refurbishment / redevelopment of 2 Boat Stations progressed
- Participate in the development of CadetNET
- Implementation of updated Unit Review underway

CHARITY OBJECTS

The objects of the Marine Society & Sea Cadets (MSSC), a charity registered in England and Wales 313013 and in Scotland SC037808, are set out in its governing instruments which are based on the Act of Incorporation of 1772, the Charities (Marine Society) Order 1976 No 147 and subsequent Charity Commission schemes, the latest being that dated 22 November 2004. The Objects of the charity are:

- to promote the development of young people in achieving their physical, intellectual and social potential as individuals and as responsible citizens by the provision of education and leisure time activities using a nautical theme
- to advance the education of seafarers in such ways as the Council shall determine but including (at the discretion of the Council) the following:

    - the provision in ships and on shore of a comprehensive library service in any media for the use of seafarers
    - the assistance of persons preparing for or entering upon a maritime career by the provision of training, the payment of fees, maintenance and other expenses and the making of loans
    - the award to seafarers of scholarships, bursaries and maintenance allowances tenable at nautical or other schools or training establishments
    - the making of grants or loans to nautical or other schools or training establishments which are charities or to other organisations established for charitable purposes only which provide facilities for and encourage young persons to become seafarers

- the advancement of the education of the public in maritime matters
- the promotion of scientific or other research of particular benefit to seafarers and the publication of the useful results of such research
- the provision in the interests of the social welfare of seafarers of facilities for recreation and other leisure-time occupation, being facilities which will improve their conditions of life and of which they have need by reason of their social and economic circumstances
- the relief of financial hardship among seafarers and their dependants

“Seafarers” used above is a term defined as:

- persons who have served, are serving, or intend to serve in the Royal Navy, the British Merchant Navy or fishing fleets or any other maritime career
- persons who are serving in the navies, merchant navies or fishing fleets of such other countries as the Council from time to time determines
- Members of the Sea Cadet Corps; and
- any other young persons considering or interested in a maritime career

“Sea Cadet Corps” (SCC) means properly constituted maritime cadet units that conform to the policies of Sea Cadet Regulations established by the charity and that are formally affiliated to it.

HISTORY

The Marine Society was founded in 1756 by Jonas Hanway, a London-based philanthropist, with the aim of encouraging young men and boys of good character to join the Royal Navy at the start of the Seven Years' War. Incorporated in 1772, the Society commissioned in 1786 the first sea training ship in the world, the 350-ton Sloop *Beatty*, and went on to provide sea training all the way up to the Second World War. It was estimated that over 110,000 men and boys were trained and equipped by the Society over this period.

The Sea Cadets movement dates back to 1856 when sailors returning from the Crimean War started up 'Naval Lads' Brigades' in ports around the country. In 1910 the Navy League sponsored a small number of independent units, which received Admiralty recognition in 1919. In 1937 Lord Nuffield gave £50,000 to fund the re-launch and expansion of the Corps and five years later the Admiralty started to pay for uniforms, equipment, travel and training. In 1976 the Navy League was renamed the Sea Cadet Association. In 1963 the Girls' Naval Training Corps (GNTC), which had been formed in 1942 with objectives similar to those of the Sea Cadet Corps, became a partner organisation of the Sea Cadets, often sharing facilities. In 1980, the GNTC merged with the Sea Cadets, firstly as the Girls Nautical Training Contingent, until becoming fully absorbed in 1992. Girls and women currently make up over a third of all cadets and volunteers.

MSSC was formed in 2004 on the merger of The Marine Society and the Sea Cadet Association (SCA) with the merged organisation retaining the constitution of The Marine Society. The SCA (registered charity number 306141 & company number 404951) is now a subsidiary of MSSC.

PRINCIPAL ACTIVITIES

The activities broadly relate to those of promoting Sea Cadets activity and helping seafarers realise their ambitions. The charity supports the maritime industry through the provision of Marine Society College activities, by promoting career opportunities in the maritime sector, upskilling seafarers using new technologies, whilst supporting others to transition ashore into maritime-related roles. As an approved Government-funded training provider and Ofsted-rating 'Good', Marine Society will build on its global reputation for supporting seafarers offering advice and guidance, scholarships, bursaries, apprenticeships, a growing range of post-16 to graduate courses as well as delivery of crew libraries and specialist book sales.

The charity acts as the franchisor for Sea Cadets units – local groups are constituted as separately registered charities. The charity sets Sea Cadets regulations, issues guidance and performs inspections to ensure that the highest of standards are maintained. It provides support in many other ways including provision of uniforms, equipment, onshore and offshore training and related travel, business and unit support and Disclosure and Barring Service (DBS) checks. The charity does not have overall control over the day-to-day operation of the individual units.

Sea Cadets units operate across the United Kingdom, with a total as at 01 April 2025 of 14,031 cadets (11,628 in England, 1,180 in Scotland, 680 in Wales, 300 in Northern Ireland and 243 overseas). There are 304 established units in England, 35 in Scotland, 20 in Wales and 11 in Northern Ireland, with a further two in Bermuda and one each in Jersey, Guernsey, Isle of Man and Malta. Within these units there are 1031 sections - 849 England, 90 Scotland, 54 Wales, 22 Northern Ireland, 2 Bermuda, 9 Channel Islands (Jersey and Guernsey), 2 Isle of Man and 3 Malta. The charity maintains six area offices, five based in England and one in Scotland, three national training centres, two in England and one in Scotland, eight boating stations, seven in England and one in Scotland, and an offshore fleet of five vessels, based in England.

VOLUNTEERS

The charity relies extensively on volunteers to support the delivery of its training and other activities to Sea Cadets, and to serve as unit management team members (trustees) of Sea Cadets units. As at 01 April 2026 there were 4,947 adult instructional volunteers, 1,493 unit management team members and 2,287 other volunteers. In total 8,727 volunteers 7,038 in England, 706 in Scotland, 442 in Wales, 155 in Northern Ireland, 308 National and 78 overseas). We are extremely grateful for the generosity of time, huge commitment and can-do attitude of our volunteers in making the Sea Cadets the success that the organisation is.

KEY RISKS AND UNCERTAINTIES

The Council is responsible for management of the risks and uncertainties faced by the charity, assisted by senior staff. The Council undertook an annual review of the organisation's risk management process through the Safety, Safeguarding, Inclusion and Risk Committee in July 2025, and together with the Policy Development and Nominations Committee and the Financial Investments Audit and Remuneration Committee continued to monitor the charity's key risks throughout the year.

The charity's risk register operates at three principal levels; the Strategic Risk Register, the High Operational Risk Register and Departmental Risk Registers. Each risk identified is described, together with its indicators and mitigating factors in place, and its target and current mitigated scores based upon an impact and likelihood matrix. A commentary is also maintained by risks of actions in progress to further reduce the risk score, which may also be increased should risk circumstances change. All risks and their completeness are reviewed and revised by management and reviewed by the relevant committee, overseen by the Safety, Safeguarding, Inclusion and Risk Committee which meets three times a year.

The Council considers the key risks facing the charity to fall within the following areas:

- Safeguarding children and vulnerable adults
- Health & Safety
- Sufficiency of MOD Grant in Aid funding
- Lack of diversification of funding and support
- Sufficiency of financial reserves
- Public perception and reputation
- Stakeholder management, and in particular, key stakeholder support

The key mitigating controls used are:

- Formal and periodic review by the trustees
- Comprehensive strategic planning, budgeting and management accounting
- Formal organisational and governance structure and lines of reporting
- Formal written policies
- Hierarchical authorisation and approval levels
- Internal audit review of targeted areas
- External audit and other 3rd party verification agents

The Council is satisfied that key risks identified are adequately managed and these are reviewed by the full Council. It is recognised that systems can only provide reasonable but not absolute assurance that major risks are adequately managed.

FINANCIAL REVIEW

Income

Total income amounted to £17,969K (2025: *£23*,562K), after taking the £5,863k received for 202 Lambeth Road last year, this is an increase of £268k or 1.5% over the previous year.

We continue to remain sincerely grateful for the continued support provided by the MOD in helping finance the Sea Cadets through the grant in aid.

Expenditure

Total expenditure was £19,744K (2025: *£19,341K*) an increase of 2% mainly due to increases in salaries and training delivery.

Net income and other movements

	£k
Net movement of funds 24/25	3,995
Sale of 202 Lambeth Road	(5,863)
RN Armaments Security Project	877
TS Royalist	262
Other	(148)
Net movement of funds 25/26	(877)

Overall, net movement in funds was (£878K) this is broken down to endowment funds 1,351k, restricted funds (£1,042K), Designated funds (£1,026K) and Unrestricted funds (£163K).

It has been the policy of the charity since 2012/13 to set aside long-term gains from its expendable endowment for current expenditure. The drawdown amounted to £1,204K (2025: *£960K*) based on an up to 4.0% agreed return set by the Trustees following advice from the investment managers.

Investment portfolio gain in the year was £898K (2025 Loss (£226k)).

Balance sheet

Cash at bank has decreased by (£1,506K) mainly due to expenditure on fixed assets and to fund the payments through restricted funds received in prior years.

Total debtors have decreased by £1,223K, mainly decrease in Other Debtors of £451k which is predominately MOD Grant in Aid funding £500k (last year the final month was paid in 2025/26) and Prepayment of £966k (last year Project Arsenal £899k).

Total creditors have decreased by (£1,245K), due to a decrease in Accruals (last year was inflated due to RN Armaments Security project expenditure.)

It is noted that the Net Current Assets currently are negative. However, this is just a timing issue, and any issue can swiftly be addressed using our cash investments.

SAFEGUARDING POLICY

MSSC Safeguarding Policy Statement

> *'At Marine Society and Sea Cadets (MSSC) we recognise our responsibilities to ensure that in line with our duty of care we safeguard and protect the children & young people and adults at risk with whom we work, doing all we can to promote their safety, health, well-being and happiness. We continually strive to be a respected and trusted organisation where everyone feels safe to participate in all our activities and our cadets and adults understand their right to be-protected from all forms of harm.'*

MSSC accords the utmost priority to the safety of vulnerable and groups and those groups & individuals with protected characteristics. All have the right to be free to work, learn and develop their potential without fear of discrimination or exclusion. All members of the MSSC will be valued and their rights to opportunity, protection and safety fully respected. This is underpinned by the charity's values and other supporting policies and procedures including our Equity, Diversity and Inclusion policies.

FUNDRAISING STANDARDS

Our Fundraising Approach

MSSC raises funds to support its charitable purposes: helping young people to develop their potential through Sea Cadets, and supporting aspiring and serving seafarers through Marine Society's education, learning and career development activities. Fundraising activity during the year was delivered by MSSC's in-house fundraising team, with appropriate support from employees, volunteers and colleagues across the charity. We raised income through a range of activities, including applications to trusts, foundations and statutory funders; individual giving; corporate partnerships; major donor relationships; membership and regular giving; and support for appeals linked to specific charitable priorities.

MSSC did not engage any professional fundraisers or commercial participators during the year. Fundraising undertaken on behalf of MSSC was carried out by employees or volunteers, in line with our commitment to ethical, transparent and supporter-focused fundraising. MSSC also provides tools, training and guidance to support affiliated Sea Cadets units, which are separately registered charities, to fundraise safely and effectively in their local communities. This support helps units raise funds for local facilities, equipment and activities while maintaining appropriate standards and safeguarding the reputation of Sea Cadets.

Regulation and Standards

MSSC is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We are committed to fundraising in a way that is legal, open, honest and respectful, and we expect everyone involved in fundraising on behalf of MSSC to uphold these principles.

We comply with the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, UK GDPR, the Data Protection Act 2018 and other relevant legislation. During the year, no failures to comply with fundraising regulations, the Code of Fundraising Practice, or any voluntary fundraising standards were identified.

Our Fundraising Promise, which sets out the standards supporters can expect from us, is publicly available on the Sea Cadets website.

FUNDRAISING STANDARDS (cont)

Oversight and Governance

Responsibility for fundraising rests with the Board of Trustees, supported by oversight from the Finance, Investment, Remuneration and Audit Committee. Day-to-day delivery is led by the Director of Fundraising & Communications, who reports regularly on fundraising performance, compliance, risk and future plans. Fundraising income and expenditure are monitored through regular management reporting, budget review and finance reconciliation. Fundraising activity is governed by internal policies and procedures, and fundraising materials and supporter communications are reviewed to ensure they are accurate, appropriate and aligned with MSSC's values. Employees and volunteers involved in fundraising receive relevant guidance and support, including in relation to data protection, safeguarding, respectful supporter engagement and the handling of donor information. Where fundraising activity is undertaken by volunteers on behalf of MSSC, it is subject to appropriate internal oversight and reporting.

Protecting the Public and Vulnerable People

MSSC takes seriously its responsibility to protect supporters, members of the public and people who may be in vulnerable circumstances. Employees and volunteers involved in fundraising are expected to act sensitively, to respect donor preferences, and to avoid placing undue pressure on anyone to donate.

We seek to ensure that our fundraising is not intrusive, unreasonably persistent or pressurised. Supporters can manage their communication preferences, and MSSC honours donor preferences in accordance with UK GDPR and data protection legislation. We also participate in the Fundraising Preference Service. Where concerns arise about vulnerability, safeguarding or supporter welfare, employees and volunteers can seek advice from MSSC's safeguarding team and relevant senior colleagues.

Complaints and Feedback

MSSC is committed to openness, accountability and continuous improvement in all interactions with supporters. We operate a clear process for handling fundraising complaints and welcome feedback as an opportunity to learn and improve. During the year ending 31 March 2026, MSSC received ZERO complaints relating to fundraising. Where complaints or feedback are received, they are reviewed and responded to appropriately, and used to strengthen future practice.

Fundraising Performance

In the financial year ended 31 March 2026, MSSC raised £2,078K (24/25 £2,255K) through a variety of fundraising activities. Fundraising costs totalled £435K (24/25 £488K), resulting in a return on investment of £4.78 for every £1 spent (24/25 £4.62). This calculation includes the cost of centrally supporting units with their own local fundraising efforts and reflects a strong level of efficiency across both restricted and unrestricted income streams.

This calculation includes the cost of centrally supporting fundraising activity across the charity, including the support provided to affiliated Sea Cadets units for their own local fundraising efforts. Fundraising income supported both national priorities and local delivery, helping MSSC invest in cadet activity, facilities, equipment, outreach, training, offshore opportunities and support for seafarers. During the year, fundraising continued to play an important role in strengthening MSSC's financial resilience and supporting the delivery of its charitable purposes. Income from donors, funders and partners enabled the charity to sustain and develop activities for cadets and seafarers while continuing to respond to increased demand and rising costs.

Looking ahead
MSSC will continue to uphold high standards of ethical fundraising, with a focus on transparency, accountability and positive supporter relationships. As demand for our services grows, we will continue to develop a more diverse and sustainable fundraising model, increasing unrestricted income, strengthening corporate and individual giving, improving stewardship, and supporting local fundraising across the Sea Cadets network.

Our fundraising activity will continue to be guided by MSSC's charitable purposes, our values and our commitment to delivering public benefit for young people, seafarers and maritime communities.

INVESTMENT POLICY

Cazenove manage the investment portfolio (excluding properties managed directly by the charity (£14m). KW Investment Management manage the treasury portfolio (£7m) and W1M manage the funds from the sale of old HQ (£6m). We also hold an investment property managed directly by the charity (£1.2m) (see Note 12).

The investment aims are to create sufficient income and capital growth to enable the Charity to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance, and if possible, enhancement of the value of the invested funds whilst they are retained.

As such the current investment objective is to generate a minimum total return in excess of UK CPI plus 4% net of fees per year over rolling five-year periods.

The annual drawdown requirement is approximately 4% of the value of the Portfolio. The Assets are not permanently endowed, and the Portfolio is to be run on a total return basis with the drawdowns made up of dividend income and, when required, capital.

The Charity is prepared to take a "medium level" of investment risk relative to the risk profile of UK charities investors in general. As such, the expectation is that the Investment Managers will not take more than 85% of equity market risk, at any one time.

The Incumbent Investment Manager (Cazenove Capital) has discretion to shift between asset classes as opportunities present themselves within the following ranges:

Asset Class	Portfolio Neutral Position %	Minimum Allowable % of total Portfolio	Maximum Allowable % of total Portfolio
Equities	**75**	**55**	**85**
Bonds	**10**	**0**	**20**
Property	**7**	**0**	**15**
Alternative Investments	**6**	**0**	**15**
Cash	**2**	**0**	**15**

Bonds held will be of 'BBB' credit rating or better.

No single investment should exceed 10% of the total value of the funds under management and the total sum of all equity holdings in excess of 5% must not be equal to or exceed 40% of the fund's value at any time.

Ethical considerations
The Trustees would like to invest in a responsible and sustainable way and therefore expect the investment manager to take into account ESG factors when making investment decisions, as well as a carbon aware approach.

Timing of returns and liquidity requirements
The investment horizon is ongoing and there are currently no planned significant future capital requirements from the Portfolio. The Client will update the Investment Managers in good time if capital drawdowns are required.

Performance
The Investment Managers will be measured against UK inflation (CPI) + 4% and the Arc Steady Growth Charity Index. This year the return was 4.4%. The Trustees continue to monitor investment performance and are grateful for the assistance of the investment managers, Cazenove and W1M.

Review of investment managers
A tender exercise for the provision of investment management services to the charity was conducted in 2023, with the assistance of Independent Investment Reviews Ltd.

RESERVES POLICY

Total funds at the year-end as detailed in note 18 were £40,507K, (2025: £41,383K). This is made up of:

£13,310K (2025: £14,351K) restricted funds. These are funds that have been given to us for specific purposes. Most significantly these include Fixed Asset funds to cover depreciation of Restricted Assets, Bursaries, Annual Funds, Branch and District funds. Specific funds are for maintenance and replacement of Offshore fleet.

£25,219K (2025: £23,868K) endowment funds. These funds were taken on as part of the merger between the Sea Cadets and the Marine Society and have been recognised as expendable endowment funds since then. We recognise the investments income as unrestricted, this drawdown amounted to £1,204K (2025: £960K) based on an up to 4.0% agreed return set by the Trustees.

£842K (2025: £1,867K) designated funds. These are for cadet outreach, boat station development and future developments over the Future Ready strategy funded from the property transaction.

After accounting for intangible and tangible fixed assets of £570K (2025: £570K) this leaves unrestricted funds, comprising free reserves of £566K (2025: £727K).

The charity does not retain MOD grant monies as part of its reserves. The reserves policy of the charity is a risk based approach, meaning that the reserves reflect the risk of loss of specific income (see key risks page 24) and the risk of the most significant costs increasing. On the basis of this approach the trustees have agreed our free reserves target is **£2.4 million**. We have not met this reserves policy.

A breakeven budget has again been set in the current year. It is unlikely the charity will be able to meet its reserves targets and instead will have to rely on expendable endowment to act as a reserves buffer. The policy has clear dangers for the charity in the long term especially given the uncertainty market turmoil currently being experienced any drawdown that may be made will be kept to an absolute minimum. It is at the complete discretion of Trustees as to the level of support the charity will give to the Sea Cadet movement in the event of shortfalls in public funding.

GRANT MAKING POLICY

Grants awarded in 2026 amounted to £1,126K (2025: *£1,266K*) (Note 6). Individual Sea Cadets units are separate registered charities and thus financial support is paid via grants. The policy of the charity is to grant monies for one-off items to support the Sea Cadet Corps and individuals (members of the Sea Cadet Corps or seafarers) to help them either facilitate or receive approved training or qualifications. In addition, grants are provided to volunteers to allow upkeep or purchase of uniforms on promotion or for wear and tear during the year. Payments are made in accordance with published scales.

EMPLOYEE REMUNERATION POLICY

As a charity, it is important we achieve balance in ensuring value for money, including how we pay our employees, with the need to attract, motivate and retain the right people to ensure we are able to deliver our ambitious plans and so maximise our impact on our beneficiaries. Therefore, our principles are to pay fair salaries that are consistent with our commitment to equality and diversity; that we remain competitive within the industry and geographic location of the role; are appropriate for the level of responsibility; and are in keeping with our charitable status. Headcount is reviewed annually as part of our budgeting process.

Governance of Pay

The Council approves the Pay and Benefits Policy, and the Finance, Investments, Remuneration and Audit Committee is appointed as a committee of the Council to approve pay related matters. The Council delegates to this committee the annual pay review and determining the CEO and senior management team salaries. This committee meets quarterly.

Annual Pay Review

Salaries are normally reviewed annually and the pay review implemented in August. We benchmark salaries to ensure that we are paying appropriately and that we broadly fall within the mid-point for similar organisations. Where we find salaries that are not aligned, we adjust accordingly. There is no obligation to increase salaries, however if it is affordable and we have performed well, then a uniform inflationary increase may be applied. This is awarded to all staff, including senior staff, with the exception of those who have resigned. Salaries had an inflationary pay increase of 3% in August 2025. Salary adjustments due to the National Minimum Wage changes are effective in the April pay-run.

PUBLIC BENEFIT

The Council members continue to give due regard to the public benefit provided by the charity in relation to its charitable purposes as set out in the activities and achievements outlined in this report and have given due consideration to guidance issued by the Charity Commission on this matter.

The aim of Sea Cadets activities is to give young people the best possible head start in life through nautical adventure and fun, based on the customs and traditions of the Royal Navy.
"Adventure that launches young people for life"

In order to achieve this, Sea Cadets units take young people from all backgrounds, including where possible those with disabilities and develop their skills and abilities by:

- Inspiring young people through regular and structured activities with a nautical theme

- Encouraging young people to take part in activities connected with the wider Sea Cadets movement, including inshore boating and offshore voyages, as well as events and competitions at District, Area and National levels

- Availability of formal externally recognised educational achievements whilst taking courses to earn badges and promotions

Charges are kept low in order to ensure all those who wish to take part in Sea Cadets activities may do so. Where further financial support is required for those on low incomes, a wide range of bursaries are available.

The aim of the Marine Society is to give aspiring and serving seafarers the best possible lifelong learning opportunities tailored to their individual needs.
"*Realising Seafarer Potential*".

We achieve this through a wide range of services that are geared towards their personal development, education and learning support needs, helping them realise their potential. This includes:

- Promoting career opportunities into the maritime sector
- As an approved Government-funded training provider with Ofsted-rating 'Good', offering advice and guidance, scholarships, bursaries, apprenticeships and a growing range of post-16 to graduate courses
- Delivering upskilling courses to aspiring and serving seafarers around the world through use of digital learning
- Supporting others to transition ashore into maritime-related roles.
- Providing a ship's library service for seafarers at sea and specialist book sales.

The Council members are thus satisfied that the charity provides substantial public benefit.

ORGANISATIONAL STRUCTURE AND GOVERNANCE

The charity is governed by a board of unpaid non-executive Council members who act as Trustees. Details of the Council Members who served during the year, and as at the date of this report, together with details of the executive management and professional advisors, are shown on pages 67-68.

The Council meets at least three times a year and is supported by members of the senior management team. Responsibility for reviewing key areas of activity is delegated to committees which report back to the Council meetings. The committees, with specific terms of reference, may also include specialist co-opted members as well as Council members to ensure that expert opinion is available. The day-to-day management of the charity and the exercising of executive responsibility are delegated to the CEO and senior management team. Meetings of the Council are also attended by one of our current First Sea Lord Cadets.

The current committees and their primary purposes are:

Finance, Investment, Remuneration & Audit Committee

- Oversees the financial affairs of MSSC, including management accounts, budgeting and the preparation of statutory accounts
- Formulates Investment policy and oversees the management of Investment assets
- Oversees and ensures the proper conduct of the internal audit process in accordance with Council requirements
- Oversees the remuneration, terms and conditions and performance review of MSSC's CEO and Senior Management Team
- Oversees the appointment and remuneration of the external auditors and receiving reports from them

Policy, Development and Nominations Committee

- Develops and recommends strategy and policy for the optimum use of MSSC resources in order to fulfil its objects in the medium to long term (2 – 10 years)
- Advises Council on major strategic issues, especially those which do not fall within the remit of any other major committee, and for monitoring the implementation of MSSC's strategic plan, keeping it under review, and advising Council on its revision
- Considers and approves guidelines for fundraising and public profile strategies
- Nurtures and develops relationships with external stakeholders (including MOD, Skills Funding Agency (SFA) and public funding bodies) in order to maximise support
- Sets and monitors performance against established targets (KPIs)
- Undertakes a nominations function, in liaison with MSSC Chairman, for appointment to MSSC Council and the Committees

Safety, Safeguarding, Inclusion & Risk Committee

- Reviews the quality of services and activities undertaken by MSSC (and SCC) to ensure that they are safe (with particular consideration to the need to protect its young people), high quality, inclusive and appropriately risk assessed
- Ensures the maintenance of an effective system of integrated governance and risk management that supports the achievement of the organisation's objectives

ORGANISATIONAL STRUCTURE AND GOVERNANCE (CONT)

National Sea Cadets Forum (Known as National Cadet Voice Team)

- Composed of Sea Cadets, the forum supports the aims and objectives of the SCC, providing ideas and feedback to the MSSC from cadet forums at Area level. In the year, work continued to create cadet forums at District level to link in to the Area Cadet forum and in turn the National Sea Cadets forum.

National Sea Cadets Advisory Council (NSCAC)

- Primarily composed of representatives and volunteers of the SCC and MSSC management team. The council supports the aims and objectives of SCC and provides advice to its principal national sponsors. From 9 July 2014, the chair of NSCAC was invited to be a Trustee of MSSC for the period of office.

Appointment, induction and training of Council members
Council members (Trustees) are co-opted by the board and elected by the charity's members at the AGM following their appointment according to the provisions of the Society's Scheme. A Council member, who has previously been re-elected at an AGM, is eligible for re-election only with the prior approval of the Council. The Society's Scheme formally provides that one-third (rounded down) of the elected Council members shall retire at each AGM. The board keeps the skill requirements for the Trustee body under review and, with these in mind, seeks to identify new members in a range of ways, including recommendation from all interested parties.

The induction process for a new Council member comprises initial meetings with the Chairman and other members of the board, followed by meetings with the CEO and senior management team, through which the individual will be briefed on the remit of the charity and the powers and responsibilities of its Trustees. The charity aims to provide all new Council members with the information necessary to ensure that they are fully equipped to contribute to the organisation within their powers. Council members are informed of current and evolving issues within the sector by the senior management team.

Membership and Branches
The MSSC is a membership organisation and currently enjoys the support of some 600 members who pay an annual subscription to the Charity. MSSC has five (2025: five) branches within the United Kingdom made up of members of the charity who reside within its locality. The annual subscriptions of those living within the catchment area of a branch are returned to the branch committee to be applied for the benefit of local Sea Cadets units and MSSC initiatives. These branches are an active and welcome force in spreading the charity's message at a local level.

THE CHARITY GOVERNANCE CODE

The Trustees have considered the revised Charity Governance Code for larger charities, published in November 2025 by the charity sector's The Code Steering Group (the Association of Chief Executives of Voluntary Organisations, the Association of Chairs, Small Charities Coalition, the Institute of Chartered Secretaries and Administrators: The Governance Institute, the National Council for Voluntary Organisations and the Wales Council for Voluntary Action). The code is supported and endorsed by the Charity Commission in England and Wales.

The code lays out eight key universal principles of governance together with behaviours, policies and evidence actions for each principle; foundation, organisational purpose, leadership, ethics & culture, decision making, managing resources & risks, EDI and board effectiveness.

The Trustees are giving active consideration and will discuss how the charity continues to comply with the principles of the code during 2026.

INTERNAL AUDITOR'S REPORT TO THE COUNCIL

The Internal Auditor reported to the Council in July 2025 as follows:

> Based on the work performed during the year, it is the opinion of Internal Audit that MSSC has an adequate and effective framework of governance, risk management and control in place to support the organisation's objectives as laid out in its Vision and Strategy.
>
> Following each audit engagement, actions to address any identified control weaknesses have been agreed with management and progress against these agreed actions are monitored by Internal Audit and reported to the Finance, Investments, Remuneration & Audit (FIRA) Committee on a regular basis. In the opinion of Internal Audit, no control weaknesses have been identified during the year which are of such significance to warrant specific disclosure in the Annual Governance Statement.

STATEMENT OF THE ACCOUNTING OFFICER

The Chief Executive Officer (CEO) as designated Accounting Officer in accordance with the current ten year Memorandum of Understanding with the MOD dated 13 December 2018, should ensure that MSSC and any subsidiaries to it or organisations sponsored by it, operates in respect of the GIA effectively and to a high standard of probity. The MSSC should in respect of the GIA:

Governance

- Have a governance structure which transmits, delegates, implements and enforces decisions
- Have trustworthy internal controls to safeguard, channel and record resources as intended
- Work cooperatively with partners in the public interest
- Operate with propriety and regularity in all its transactions
- Treat those with whom they deal fairly and honestly
- Offer redress for failure to meet agreed stakeholder standards; and
- Give timely, transparent and realistic accounts of the MSSC

Decision-making

- Provide the Ministry of Defence (MOD) with clear, well-reasoned and timely information in accordance with the Memorandum of Understanding
- Make all its decisions in line with the strategy, aims and objectives of the charity
- Take a balanced view of the MSSC's approach to managing opportunity and risk

Financial management

- Comply with Global Internal Audit Standards (GIAS) in the UK Public Sector in order that the Principal Accounting Officer may receive an annual assurance on risk management, governance and control
- Use its resources efficiently, economically and effectively, avoiding waste and extravagance
- Plan to use its resources on an affordable and sustainable path, with agreed limits
- Carry out procurement and project appraisal objectively and fairly, using cost benefit analysis and seeking good value for money
- Use, where possible, management information systems to secure assurance about value for money and the quality of delivery and so make timely adjustments
- Avoid over defining detail and imposing undue compliance costs, either internally or on the charity's stakeholders and others with whom it deals

Contingent liability (Note 24)

The MSSC, under Royal Navy sponsorship, undertake a range of Sea Cadet activities and training programmes. As part of the agreement with the MOD, the MOD provides indemnity to the MSSC to cover a very broad range of claims, losses or liabilities whilst undertaking these activities.
During the year, a civil claim was submitted against a Sea Cadet unit. The MOD has assessed that this claim is outside of scope of the indemnity and that it will not be providing the charity with cover in this instance. This has resulted in the MSSC making an insurance claim. A provision of £10,000 has been recognised in the financial statements in respect of the known insurance excess payable by the charity.
There remains uncertainty as to whether further liabilities may arise that are not recoverable under the MOD indemnity or the charity's insurance arrangements. The extent of any additional exposure is unknown and will depend on ongoing discussions with the MOD and our insurance providers, and whether any further claims arise.
The Trustees do not consider that an additional provision is required at 31 March 2026 because no present obligation exists that can be measured reliably and any further liability is not considered probable. Accordingly, no amount has been recognised in respect of any potential additional exposure

STATEMENT OF COUNCIL'S RESPONSIBILITIES

- Have practical documented arrangements for working in partnership with other organisations, as appropriate
- Use internal and external audit to improve its internal controls and performance

In order for the Chief Executive Officer to provide assurance on the above matters the following measures are in place:

- Delegated authorities are formally agreed by the Council under Financial Standing Orders. Part of these require CEO authorisation of all expenditure over £10,000 with three comparable quotations
  and a business plan required in respect of new projects with a value in excess of £10,000
- All payments are made from a single bank account or from approved centrally managed credit and debit cards
- An internal audit function performs regular reviews, following a three year audit plan based on the risk profile of the charity

The Council as Trustees are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations. Charity law requires the Council to prepare financial statements for each financial year in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.
Under charity law the Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net outgoing resources for that period. In preparing these financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities' SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Council are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
The Council are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS
A resolution to reappoint MHA will be tabled at the Annual Court.
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

On behalf of the Board:

Jeremy Penn MBE
Council Member and Chairman

7 August 2026

Guy Holloway
Chief Executive Officer
& Grant in Aid Accounting Officer

13 August 2026

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARINE SOCIETY & SEA CADETS

Opinion

We have audited the financial statements of The Marine Society & Sea Cadets (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2026 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Report & Accounts of the Council. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report & Accounts of the Council is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Council's Responsibilities, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA

MHA
Statutory Auditor
London, United Kingdom
Date: 18/8/2026
MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

MSSC
MARINE SOCIETY & SEA CADETS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2026 Total £'000	*2025 Total £'000*
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	**2**	**895**	**1,185**	**-**	**2,080**	**2,255**
Charitable activities	**3**	**2,066**	**12,351**	**-**	**14,417**	**14,189**
Other trading activities	**8**	**24**	**-**	**-**	**24**	**34**
Investments	**4**	**1,448**	**-**	**-**	**1,448**	**1,221**
Other income	**1m**	**-**	**-**	**-**	**-**	**5,863**
TOTAL INCOME		**4,433**	**13,536**	**-**	**17,969**	**23,562**
EXPENDITURE ON:						
Raising funds		**598**	**-**	**-**	**598**	**663**
NET INCOME AVAILABLE FOR CHARITABLE ACTIVITIES		**3.835**	**13,536**	**-**	**17,371**	**22,899**
Total charitable activity costs	**5**	**3,558**	**15,588**	**-**	**19,146**	**18,678**
TOTAL EXPENDITURE		**4,155**	**15,588**	**-**	**19,744**	**19,341**
Balance carry forward		**277**	**(2,052)**	**-**	**(1,775)**	**4,221**

The notes on pages 45 to 68 form an integral part of these accounts

[1] Donations and legacies includes unrestricted costs of raising both unrestricted and restricted income.

MSSC
MARINE SOCIETY & SEA CADETS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2026 Total £'000	*2025 Total £'000*
NET INCOME (EXPENDITURE) BEFORE INVESTMENT GAINS (LOSSES) Brought Forward		277	-	(2,052)	-	(1,775)	4,221
Net gains (losses) on investments	12	-	-	-	898	898	(226)
NET INCOME (EXPENDITURE)		277	-	(2,052)	898	(877)	3,995
Transfers between funds	17 18	(438)	(1,026)	1,011	453	0	0
NET MOVEMENT IN FUNDS		(161)	(1,026)	(1,041)	1,351	(877)	3,995
TOTAL FUNDS 1 APRIL 2025		1,297	1,868	14,351	23,868	41,384	37,389
TOTAL FUNDS 31 MARCH 2026	15 18	1,136	842	13,310	25,219	40,507	41,384

All amounts relate to continuing activities.

The notes on pages 45 to 68 form an integral part of these accounts

MSSC
MARINE SOCIETY & SEA CADETS

CONSOLIDATED BALANCE SHEET
31 MARCH 2026

	Notes	£'000	2026 £'000	2025 £'000
FIXED ASSETS				
Intangible assets	10	9		39
Tangible assets	11	14,663		15,286
Investments	12	28,353		27,135
			43,025	42,460
CURRENT ASSETS				
Stocks		233		191
Debtors	13	704		1,927
Cash at bank and in hand		1,120		2,626
		2,057		4,744
CREDITORS				
Amounts falling due within one year	14	(4,575)		(5,820)
NET CURRENT ASSETS (LIABILITIES)			(2,518)	(1,076)
NET ASSETS			40,507	41,384
THE FUNDS OF THE CHARITY	15-18			
Unrestricted funds				
Fixed assets		570		570
Other		566		727
		1,136		1,297
Designated funds	17	842		1,868
Restricted funds				
Fixed assets	15	7,724		7,724
Other	15	5,586		6,627
		13,310		14,351
Endowment funds	16		25,219	23,868
	18		40,507	41,384

Approved by the Trustees on 16 July 2026 and signed on their behalf:

Jeremy Penn MBE
Council Member & Chairman

Guy Holloway
Chief Executive Officer & Grant in Aid Accounting Officer

The notes on pages 45 to 68 form an integral part of these accounts

MSSC
MARINE SOCIETY & SEA CADETS

CHARITY BALANCE SHEET
31 MARCH 2026

	Notes	£'000	2026 £'000	2025 £'000
FIXED ASSETS				
Intangible assets	10	9		39
Tangible assets	11	14,663		15,286
Investments	12	28,353		27,140
			43,025	42,465
CURRENT ASSETS				
Stocks		233		191
Debtors	13	704		1,923
Cash at bank and in hand		1,091		2,619
		2,028		4,733
CREDITORS				
Amounts falling due within one year	14	(4,572)		(5,817)
NET CURRENT ASSETS (LIABILITIES)			(2,544)	(1,084)
NET ASSETS			40,481	41,381
THE FUNDS OF THE CHARITY				
Unrestricted funds				
Fixed assets		570		570
Other		540		723
		1,110		1,293
Designated funds		842		1,868
Restricted funds	15			
Fixed assets		7,724		7,724
Other		5,586		6,628
		13,310		14,352
Endowment funds	16		25,219	23,868
	18		40,481	41,381

Approved by the Trustees on 16 July 2026 and signed on their behalf:

Jeremy Penn MBE
Council Member & Chairman

Guy Holloway
Chief Executive Officer & Grant in Aid Accounting Officer

The notes on pages 45 to 68 form an integral part of these accounts

MSSC
MARINE SOCIETY & SEA CADETS

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2026

	Notes	2026	2025
		£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash (used by)/provided by operating activities	(a)	(2,386)	(1,553)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	4	21	50
Investment income	4	1,204	1,171
Rental income		223	-
Purchase of fixed assets	10&11	(250)	(1,201)
Proceeds from sale of fixed assets		(2)	5,860
Purchase of investments	12	(21.055)	(25,110)
Proceeds from sale of investments	12	20,739	17,966
Net cash generated by/(used in) investing activities		888	(1,264)
INCREASE/(DECREASE) IN CASH AT BANK AND IN HAND IN THE YEAR		(1,506)	(2,816)
CASH AT BANK AND IN HAND 1 APRIL 2025		2,626	5,442
CASH AT BANK AND IN HAND 31 MARCH 2026		1,120	2,626

NOTES TO CASH FLOW STATEMENT

		2026	2025
(a) Reconciliation of net income (expenditure) to Net cash flows from operating activities		£'000	£'000
Net income/(expenditure)		(878)	3,995
Depreciation	10 &11	902	1,061
(Gains)/losses on investments	12	(898)	226
Gains / (Losses) on the sale of tangible fixed assets		-	162
Sale of 202 Lambeth Road		-	(5,863)
Decrease in stocks		(43)	272
Decrease in debtors		1,223	(947)
Increase/(Decrease) in creditors		(1,244)	762
Interest received and investment income	4	(1,448)	(1,221)
Net cash (used by)/provided by operating activities		(2,386)	(1,553)

As the Group does not have any debt, an analysis of net debt has not been produced.

The notes on pages 45 to 68 form an integral part of these accounts

1. ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared on a consolidated basis in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The results of the charity and its subsidiaries are consolidated on a line-by-line basis after intercompany transactions and balances have been eliminated.

The charity is well placed to manage the business risks we face. The position is supported by a strong cash flow, some investments held as near cash, a sufficient level of reserves and a good relationship with our key funders. We therefore have a reasonable expectation that we have sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of the charity to continue as a going concern.

Whilst one of the main charitable purposes of the Fund is to support the activities of Sea Cadets and seafarers, the level of this necessary expenditure is at the discretion of the Trustees and can be adjusted during the year. The Trustees have also considered the Group's working capital and capital expenditure requirements. As a result of the foregoing the Trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

The key sources of estimation and/or judgement that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies below. The Trustees are not aware of any areas where significant changes to key accounting assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

b) Donations, legacies and other income

Income is recognised when the charity has earned entitlement, receipt is probable and the amounts involved can be measured with reasonable certainty. This policy is applied as follows:

Donations are recognised when received, grants are recognised when receivable unless they are restricted for use in a future accounting period in which case they are deferred. Income is also deferred where entitlement conditions or performance-related conditions are not met.

Legacies are recognised at the earlier of receipt, completion of estate accounts or notification by the executors of an estate of a distribution.

Income received from the sale of goods and service is recognised in the year the sale occurs or the good is provided. Income from training, events and offshore activities is recognised in the year the activity or event is delivered.

1. ACCOUNTING POLICIES (CONTINUED)

c) Expenditure

Expenditure is classified by direct allocation of costs and best estimates of usage of costs where relevant, as follows:

Raising funds:

- The cost of raising funds comprises costs associated with raising funds from all sources and includes fundraising costs, costs of events and investment management costs.

Charitable expenditure:

- Direct costs are allocated to functional cost headings based on supporting cost centre analyses.
- Overheads (including irrecoverable VAT) are included in support costs and are allocated to functional cost headings on the basis of headcount (see note 9). Irrecoverable VAT is included in support costs as an overhead cost.
- Governance costs are included in support costs.

Termination payments are recognised when we are demonstrably committed to terminating the employment of an employee or group of employees before the normal retirement date, or to providing termination benefits as a result of an offer made to encourage voluntary redundancy.

- A liability and related expense are recognised when the charity can no longer withdraw the offer of those benefits or when the costs of a restructuring that includes the payment of termination benefits are recognised, if earlier.
- Termination payments are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.
- Termination payments are charged to the Statement of Financial Activities in the period in which the obligation arises.

d) Recognition of liabilities and grants

Liabilities are recognised either on the date goods or services are received, or when recipients are given a reasonable expectation that grants will be made and the conditions of those grants have been met.

e) Definition of liquid resources

Liquid resources included on the cash flow statement are those held as cash at bank and in hand.

f) Pension costs

Pension contributions are made to a defined contribution pension scheme and are written off to the Statement of Financial Activities as they are incurred. The charity also makes contributions to a multi-employer defined benefit scheme in respect of former employees. These amounts are also written off as incurred together with any known commitments to fund the deficit of the scheme, where they relate to past service.

g) Intangible and tangible fixed assets

Capital items with a value over £10,000 are treated as fixed assets. Depreciation / amortisation is provided on all fixed assets to write off the cost of these assets over their expected useful life. The following straight line depreciation rates have been used:

Freehold buildings	1.66%	Boats and dinghies	10%
Freehold improvements	10%	Motor vehicles	25%
Leasehold improvements	Lease term	Furniture, Fixtures & Fittings	20%
Training ships and yachts	5%	Computers & software	25%

1. ACCOUNTING POLICIES (CONTINUED)

h) Investments

Investments are included in the Balance Sheet at fair value. Realised investment gains and losses represent the difference between the fair value of the investments at the beginning of the period, or the cost if purchased during the period, and the sale proceeds. To enhance the assumptions and methods applied for determining the value of the investment property in the first place and the corresponding annual impairment reviews the Trustees review the valuation of property investments for impairment every year and revalue the investments on a market basis at least every five years. (See Note 12).

i) Stocks

Stock is valued at the lower of cost, including irrecoverable VAT, and market value.

j) Endowment and Restricted Funds

Restricted funds represent gifts or grants, which can only be applied for a purpose specified by the donor or grantor. These amounts are carried forward as deferred income where there is a restriction on when monies can be spent. All monies received from the MOD are treated as restricted funds. Designated funds for investments in future investments including boat stations and outreach work have been set up.

Endowment funds are classified as either permanent - those where the donor has specified that the capital of the gift cannot be expended and that only the income arising from the capital may be used for the specified purpose. Alternatively, they may be expendable if they relate to those that were given where the intention was clearly for the donation to be held for the longer term but where the funds are ultimately expendable.

k) Heritage assets

The charity has received donations of various naval and maritime paintings and artefacts throughout its 265-year history. A number of these are housed at the National Maritime Museum in Greenwich and at Chatham Historic Dockyard in Kent. These assets are retained for their historical and cultural significance in relation to the work of the charity, which illustrate and show the unique service the charity has given to the nation. These heritage assets are not recognised on the balance sheet. They were either donated or acquired so long ago that reliable cost or valuation information is not available, and the cost of obtaining such information would outweigh the benefits to users of the financial statements. The charity does not hold these items for their financial value but for their contribution to its charitable objectives.

It is not the policy of the charity to obtain further artefacts but to preserve those of heritage significance that it owns, which it does with the help of the National Maritime Museum. Alongside the planned relocation of the national offices of the charity, the Trustees reviewed the artefacts held and determined those that should be held for posterity, those that should be gifted to relevant museums and those to be sold. Effecting this is ongoing. No material artefacts have been acquired in the last five years.

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors, and accrued income. Financial liabilities held at amortised cost comprise, trade and other creditors, grants payable and accruals. Income arising from financial assets, comprising bank interest is recognised within income and expenditure.

Non property investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses and investment income being recognised within income and expenditure. Investments in subsidiaries are held at cost less impairment.

2. DONATIONS AND LEGACIES

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
2025/26 analysis of income				
Donations and subscriptions	**99**	**-**	**-**	**99**
Legacies	**75**	**-**	**-**	**75**
Other Major Grants [1]	**-**	**668**	**-**	**668**
Boat station appeals	**-**	**7**	**-**	**7**
Bursaries [2]	**-**	**160**	**-**	**160**
Other restricted funds [3]	**-**	**205**	**-**	**205**
Areas, Branches and Other Income	**721**	**145**	**-**	**866**
	895	**1,185**	**-**	**2,080**
2024/25 analysis of income				
Donations and subscriptions	*78*			*78*
Legacies	*12*			*12*
Other Major Grants [1]		*687*		*687*
Boat station appeals[2]		*7*		*7*
Bursaries		*195*		*195*
Other restricted funds[3]		*628*		*628*
Areas, Branches and Other Income	*529*	*119*		*648*
	619	*1,636*	*0*	*2,255*

Other Major Grants [1]

Mainly grants from Department for Culture, Media and Sport (DCMS) and Garfield Weston

Bursaries [2]

Include major donation from Michael Uren Foundation, Jack Petchey Foundation, Denholm Group,Fort Foundation, Ulysses Trust, Connaught Trust, Square Rigger Club and Greenwich Hospital.

Other Restricted Funds [3]

Include major donations from BAE Systems, , Gosling Foundation, Trinity House, National Lottery Community Fund, Stelios Philanthropic Foundation, Smith Charitable Trust, EBM Charitable Trust, BMT Group, BGS Cayzer Charitable Trust, Tindall Riley & Co, Schroders Personal Wealth, Wyfold Charitable Trust, Association of Sail Training Organisations (ASTO), Worshipful Company of Shipwrights, Worshipful Company of Management Consultants and Worshipful Company of Saddlers.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2026 £'000	Restricted 2026 £'000	Total 2026 £'000	*Unrestricted 2025 £'000*	*Restricted 2025 £'000*	*Total 2025 £'000*
MOD grant in aid	-	12,309	12,309		*12,032*	*12,032*
Seafarer education and support	635	42	677	*552*		*552*
Sea Cadet Corps training	947	-	947	*891*		*891*
Offshore fleet income	484	-	484	*714*		*714*
	2,066	12,351	14,417	*2,157*	*12,032*	*14,189*

In addition to the MOD grant in aid (for Sea Cadets activity), the charity receives significant support in kind from the MOD. Eleven Royal Navy personnel are provided on loan, six area offices, three Sea Cadets training centres, Sea Cadets stores, the offshore offices and berthing facilities are also provided at MOD premises, together with ad hoc use of MOD training estate. Fuel for the offshore vessels from Royal Navy sources, some uniforms and various specialist stores items are also provided by the Royal Navy. These are specialised supplies and so there is no commercial value or open market valuation.

4. INVESTMENTS

	Unrestricted 2026 £'000	Restricted 2026 £'000	Total 2026 £'000	*Unrestricted 2025 £'000*	*Restricted 2025 £'000*	*Total 2025 £'000*
Investment income (excluding Rental income)	1,204	-	1,204	*960*	-	*960*
Rental income	223	-	223	*211*	-	*211*
Bank interest	21	-	21	*50*	-	*50*
	1,448	-	1,448	*1,221*	-	*1,221*

5. ANALYSIS OF EXPENDITURE

	Unrestricted 2026	**Restricted 2026**	**Total 2026**	*Unrestricted 2025*	*Restricted 2025*	*Total 2025*
	£'000	**£'000**	**£'000**	*£'000*	*£'000*	*£'000*
Safeguarding, supporting Sea Cadets activity & infrastructure	**1,233**	**8,322**	**9,555**	*1,278*	*8,578*	*9,856*
Sea Cadet Corps training	**895**	**4,393**	**5,288**	*1,195*	*3,177*	*4,372*
Offshore fleet	**598**	**2,350**	**2,948**	*273*	*2,883*	*3,155*
Professional seafarer education and support	**747**	**47**	**794**	*651*	*122*	*774*
Promoting Sea Cadets activity	**85**	**476**	**561**	*85*	*435*	*520*
	3,558	**15,588**	**19,146**	*3,484*	*15,195*	*18,678*

	Grants	**Direct Salary Costs**	**Other**	**Support costs (note 7)**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
2025/26 analysis of costs					
Investment management fees	**-**	**-**	**164**	**-**	**164**
Fundraising		**313**	**35**	**86**	**434**
MSSC (Trading) Limited	**-**	**-**	**-**	**-**	**-**
Safeguarding and supporting Sea Cadets activity and infrastructure	**450**	**3,628**	**3,913**	**1,564**	**9,555**
Sea Cadet Corps training	**189**	**2,025**	**2,213**	**861**	**5,288**
Offshore fleet	**467**	**1,215**	**916**	**350**	**2,948**
Professional seafarer education and support	**19**	**354**	**348**	**73**	**794**
Promoting Sea Cadets activity	**-**	**239**	**220**	**102**	**561**
	1,126	**7,774**	**7,809**	**3,035**	**19,744**

5. ANALYSIS OF EXPENDITURE (CONTINUED)

	Grants	Direct Salary Costs	Other	Support costs (note 7)	Total
	£'000	£'000	£'000	£'000	£'000
2024/25 analysis of costs					
Investment management fees	*0*	*0*	*145*	*0*	*145*
Fundraising		*317*	*70*	*102*	*488*
MSSC (Trading) Limited			*31*		*31*
Safeguarding and supporting Sea Cadets activity and infrastructure	*848*	*3,940*	*3,566*	*1,502*	*9,856*
Sea Cadet Corps training	*-*	*1,418*	*2,010*	*945*	*4,373*
Offshore fleet	*388*	*1,170*	*1,277*	*321*	*3,156*
Professional seafarer education and support	*30*	*330*	*356*	*58*	*774*
Promoting Sea Cadets activity		*202*	*205*	*112*	*520*
	1,266	*7,377*	*7,659*	*3,039*	*19,341*

Other costs include all direct expenditure in relation to areas, branches, onshore and offshore activities.

6. GRANTS PAYABLE

Grants payable were as follows:

	2026	*2025*
	£'000	*£'000*
Grants to institutions	**392**	*750*
Grants to individuals	**734**	*516*
	1,126	*1,266*

Individual grants given are small and not material within the overall total.

Grants to institutions comprise grants made to Sea Cadets units to reimburse expenditure towards premises, minibuses, junior units and emergency needs. It also includes the provision of boats and equipment to units and unit hubs.

Grants to individuals comprise grants to Sea Cadets volunteers for uniforms and bursaries for cadets to take part in activities.

Support costs in relation to grants payable are included within note 7 below.

Grants payable at the year-end are included with creditors (see note 14).

7. SUPPORT COSTS

The support costs of the charity consist of four elements: Management, Finance & Digital, Premises, and Human Resources. These costs have been apportioned across the work of the charity on the basis of staff numbers in each functional area. The apportioned costs are set out below:

	Fundraising	Safeguarding and SC Infrastructure	Sea Cadets Training	Offshore fleet	Professional seafarer education and support	Promoting Sea Cadets activity	2026 Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Management	9	129	80	33	7	9	267
EDI	1	20	13	5	1	3	43
Finance and Digital	34	800	387	158	29	49	1,457
Premises	15	223	138	56	13	15	460
Human Resources	21	299	185	75	17	20	617
Governance	6	93	58	23	6	6	192
2026	86	1,564	861	350	73	102	3,035

Included within Support costs are salary costs of £1,528K (2025: *£1,534K*).

Irrecoverable VAT costs included within Support costs amounted to £109K (2025: *£144K*).

Total Governance costs included in Support were £192K (2025: *£189K).* These included auditors' fees for external audit £45K (2025: *£18K*) and tax advice £6K (2025: *£8K*).

	Fundraising	Safeguarding and SC Infrastructure	Sea Cadets Training	Offshore fleet	Professional seafarer education and support	Promoting Sea Cadets activity	2025 Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Management	6	73	46	16	3	5	148
EDI	3	43	27	9	2	3	88
Finance and Digital	41	730	459	156	23	60	1,470
Premises	20	257	162	55	12	17	524
Human Resources	24	305	192	65	14	21	621
Governance	7	93	59	20	4	6	189
2025	102	1,502	945	321	58	112	3,039

8. SUBSIDIARY ORGANISATIONS

The Sea Cadet Association is a charitable company registered in England and Wales (company number Number 00404951 and Charity Number 306141). The charity was dormant in the current year and both net income and net assets/funds for the year were £nil (2024: net income and net assets/funds*: £nil).* The organisation is retained as it is counterparty to a number of leases held by Sea Cadets units and also acts as a vehicle for the receipt of occasional legacies.

MSSC (Trading) Limited is registered in England with company number 09476222. The charity has a £5K (2025: *£5K*) investment in MSSC (Trading) Limited (note 12), representing 100% of the issued share capital of that company. The results of the company for the year and its balance sheet at the year-end were as below. The company made a charitable donation in the year of £3K (2025: *£27k*) to the charity. The company anticipates making a charitable donation to the charity of £21k in 2026/27 based on profits earned in 2025/26. Year-end net assets stand at £26K (2025*: £8K*).

	2026 **£'000**	2025 £'000
Turnover	**25**	*7*
Purchases for resale	**-**	-
Other operating charges	**(4)**	*(4)*
Profit on Ordinary Activities before taxation	**21**	*3*
Taxation	**-**	-
Profit on Ordinary Activities after taxation	**21**	*3*
Retained profit at 1 April 2025	**-**	-
Charitable donation to the Marine Society & Sea Cadets	**(21)**	*(3)*
Retained profit at 31 March 2026	**-**	-

	2026 **£'000**	*2025* *£'000*
Current Assets		
Debtors	**13**	*8*
Cash at bank and in hand	**29**	*8*
	42	*16*
Creditors		
Amounts falling due within one year	**(16)**	*(8)*
Net Current Assets	**26**	*8*
Net Assets	**26**	*8*
Capital and Reserves		
Called up share capital	**5**	*5*
Profit and loss account	**21**	*3*
	26	*8*

9. STAFF COSTS

	2026 £'000	2025 £'000
Wages and salaries	**7,717**	*7,545*
Social security costs	**904**	*697*
Pension fund contributions	**571**	*531*
Health insurance	**108**	*139*
	9,300	*8,912*

The figures above include £73k for three settlement agreements (2025: £88k ; 9) concluded in the year related to redundancies. £42k were contractual payments and £31k non-contractual paid as part of the consultation. £61k was outstanding at the end of the financial year. The average head count was 195 staff (2025: 195*)* and the average full time equivalent numbers of employees were as follows:

	2026	2025
Fundraising	**6**	*7*
Supporting Sea Cadets activity and infrastructure	**87**	*89*
Sea Cadets training	**54**	*56*
Offshore fleet	**22**	*19*
Promoting Sea Cadets activity	**5**	*4*
Seafarer education and support	**6**	*6*
	180	*181*

Included within staff costs are £1,528K (2025: *£1,535K*) support costs.

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer and the six (2025: *six*) Directors in post (senior management team) listed under Executive Management on page 67. Their total remuneration, (including those not in post at the year-end), including social security costs and pension contributions was £886K (2025: *£825K).* The Trustees did not receive any remuneration from the charity during the year but were reimbursed for some travel costs, where they chose to claim. Five (2025: Five) Trustees claimed travelling expenses totalling £1.5K (2025: *£1.5K*).

14 employees earned over £60K (2025: fifteen). Bandings:

	2026	2025
£60K - £70K	**8**	*6*
£70K - £80K	**-**	*1*
£80K - £90K	**4**	*3*
£90K - £100K	**1**	*1*
£100k - £110k	**1**	*-*
£110K - £120K	**1**	*1*
£140K - £150K	**-**	*1*

* These figures include pension allowances paid to nil individual (2025: *one*) in lieu of employer pension contributions that would otherwise be payable but not shown within remuneration.

10. INTANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Computers & software	Total
	£'000	£'000
COST		
At 1 April 2025	1,198	1,198
Additions in period		
Disposals in period		
At 31 March 2026	1,198	1,198
AMORTISATION		
At 1 April 2025	1,159	1,159
Provision in period		
Disposals in period	30	30
At 31 March 2026	1,189	1,189
Net book value		
At 31 March 2026	9	9
Net book value		
At 31 March 2025	*39*	*39*

11. TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Building improve-ments £'000	Ships & boats £'000	Furniture & fittings £'000	Motor vehicles £'000	Computers £'000	Total £'000
COST						
At 1 April 2025	**12,641**	**11,099**	**127**	**382**	**73**	**24,322**
Additions in period	**102**	**132**	**-**	**16**	**-**	**250**
Disposals in period	**-**	**-**	**-**	**(13)**	**-**	**(13)**
At 31 March 2026	**12,743**	**11,231**	**127**	**385**	**73**	**24,559**
DEPN						
At 1 April 2025	**1,896**	**6,612**	**86**	**382**	**60**	**9,037**
Provision in period	**337**	**510**	**15**	**2**	**9**	**872**
Disposals in period	**-**	**-**	**-**	**(13)**	**-**	**(13)**
At 31 March 2026	**2,233**	**7,122**	**101**	**371**	**69**	**9,896**
Net book value At 31 March 2026	**10,510**	**4,109**	**26**	**14**	**4**	**14,663**
Net book value At 31 March 2025	*10,745*	*4,487*	*42*	*0*	*12*	*15,286*

At the year end, building improvements include assets under construction £NilK (2025: Nil). These are not depreciated until complete. During the year, £Nilk (2025: £3,626k) of assets previously classified as assets under construction within building improvements were completed. These assets were brought into use and are now being depreciated over their estimated useful lives in accordance with the Group's depreciation policy.

MSSC
MARINE SOCIETY & SEA CADETS

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2026

12. INVESTMENTS
GROUP INVESTMENTS

	Investment Portfolio £'000	Properties £'000	Cash £'000	Total £'000
Fair value at 1 April 2025	*25,890*	*1,200*	*44*	*27,135*
Additions at cost	**21,097**	**-**	**-**	**21,097**
Disposal proceeds	**(20,739)**	**-**	**-**	**(20,739)**
Movement in Cash	**-**	**-**	**(42)**	**(42)**
Gain for the year	**898**	**-**	**-**	**898**
Fair value at 31 March 2026	**27,146**	**1,200**	**2**	**28,348**

CHARITY INVESTMENTS

	Investment Portfolio £'000	Properties £'000	Cash £'000	Subsidiary £'000	Total £'000
Fair value at 1 April 2025	*25,890*	*1,200*	*44*	*5*	*27,140*
Additions at cost	**21,097**	**-**	**-**	**-**	**21,097**
Disposal proceeds	**(20,739)**	**-**	**-**	**-**	**(20,739)**
Movement in Cash	**-**	**-**	**(42)**	**-**	**(42)**
Gain for the year	**898**	**-**	**-**	**-**	**898**
Fair value at 31 March 2026	**27,146**	**1,200**	**2**	**5**	**28,353**

All investments are held in the UK. Cazenove and W1M are pooled funds – additions and disposals are only from Kingswood. The subsidiary investment is in MSSC (Trading) Limited, note 8. The historic cost of the Investment Portfolio including cash was £25,581K (*2025: £25,269k*). The investment property relates to 206 Lambeth Road – valued independently by Kinleigh Folkard & Hayward on 29 April 2026 based on estimated vacant possession sales price.

Fund analysis of gains and (losses):	**2026 £'000**	*2025 £'000*
Endowment (note 16)	**898**	*(227)*
Total gains (losses)	**898**	*(227)*

13. DEBTORS

	Group 2026	*Group 2025*	**Charity 2026**	*Charity 2025*
	£'000	*£'000*	**£'000**	*£'000*
Trade debtors	**240**	*50*	**227**	*43*
Amounts due from MSSC (Trading) Ltd	**-**	*-*	**13**	*4*
Other debtors	**251**	*702*	**193**	*702*
Prepayments	**132**	*1,098*	**132**	*1,098*
Accrued income	**81**	*77*	**140**	*77*
	704	*1,927*	**704**	*1,923*

14. CREDITORS: Amounts falling due within one year

	Group 2026	*Group 2025*	**Charity 2026**	*Charity 2025*
	£'000	*£'000*	**£'000**	*£'000*
Trade creditors	**500**	*718*	**500**	*718*
Amount due to Slater	**-**	*-*	**-**	*-*
Other taxation and social security	**280**	*203*	**280**	*203*
Grants payable	**1,255**	*1,177*	**1,255**	*1,177*
Other creditors	**715**	*894*	**715**	*894*
Accruals	**1,480**	*2,591*	**1,477**	*2,588*
Deferred income	**345**	*236*	**345**	*236*
	4,575	*5,820*	**4,572**	*5,817*

£184K (2025: *£76k*) of accruals and £34K (2025: *£33k*) of deferred income balances at 1 April 2025 are included in creditors at 31 March 2026. These should be released in 2026/27.

Grants Payable

B/Forward £k	Grants paid in year £k	Grants given or provided for in year £k	Carry forward £k
1,177	(1,048)	1,126	1,255

Payment of grants made is mostly conditional on the balance of funding for property projects being raised by the grant recipient.

Deferred income

B/Forward £k	Income recognised in year £k	New Deferrals £k	Carry forward £k
236	(202)	311	345

Most of the deferrals were related to receipts related to courses staring after April 2026.

15. RESTRICTED FUNDS (GROUP AND CHARITY)

Donor	Purpose	Balance 1 April 2025	Movement of funds Income	Expend -iture	Income/ interest	Transfer	Balance 31 March 2026
		£'000	£'000	£'000	£'000	£'000	£'000
MOD	Grant in Aid	0	12,209	(12,209)	-	-	0
MOD	Other Grants[1]	236	-	(921)	-	900	215
Various	Offshore ships and boats[2]	5,131	766	(1,291)	-	-	4,606
Various	Sea Cadets training	680	111	(297)	-	-	494
Various	Boat stations - Midland/PEBS[3]	6,602	-	(223)	-	101	6,480
Various	Sea Cadets unit grants	761	213	(296)	-	-	678
Various	Area Sea Cadets Training	673	146	(184)	-	(10)	625
Various	Seafarer training	38	43	(47)	-	-	34
Various	Bursaries	176	48	(120)	-	-	104
Corbyn Memorial Fund	Benefit any person in financial need studying nautical education[4]	(20)	-	-	-	20	-
Various	Other	74	-	-	-	-	74
		14,351	13,536	(15,588)	-	1,011	13,310

(continued)

[1] RN Armaments security fund £2m
[2] Offshore restricted assets £4m
[3] Boat stations restricted assets £6m
The residual funds are made up of multiple small funds for specific purposes.
[4] Transfer represents investment income applied to the fund.
The residual funds are made up of multiple small funds for specific purposes.

15. RESTRICTED FUNDS (GROUP AND CHARITY) (2024/25)

			Movement of funds				Balance
Donor	**Purpose**	**1 April 2024**	**Income**	**Expend -iture**	**Income/ interest**	**Transfer**	**31 March 2025**
MOD	Grant in Aid	-	*11,732*	*(11,732)*	-	-	*0*
MOD	Other Grants[5]	*2,021*		*(1,785)*	-	-	*236*
Various	Offshore ships and boats[6]	*5,339*	*1,151*	*(1,359)*	-	-	*5,131*
Various	Sea Cadets training	*2,193*	*114*	*(290)*	-	*(1,337)*	*680*
Various	Boat stations - Midland/PEBS[7]	*5,199*		*(179)*	-	*1,582*	*6,602*
Various	Sea Cadets unit grants	*633*	*424*	*(296)*	-	-	*761*
Various	Area Sea Cadets Training	*772*	*118*	*(218)*	-	-	*673*
Various	Seafarer training	*72*	*50*	*(84)*	-	-	*38*
Various	Bursaries	*211*	*79*	*(113)*	-	-	*176*
Corbyn Memorial Fund	Benefit any person in financial need studying nautical education	*18*		*(38)*	-	-	*(20)*
Various	Other	*74*					*74*
		16,532	*13,668*	*(16,094)*	-	*245*	*14,352*

Transfers relate to funds spent on capital purchases. The transfers are equivalent to the depreciation charges required in future years.

[5] RN Armaments security fund £2m
[6] Offshore restricted assets £4m
[7] Boat stations restricted assets £7m
The residual funds are made up of multiple small funds for specific purposes.

16. ENDOWMENT FUNDS (GROUP AND CHARITY)

Donor	Purpose	Balance 1 April 2025 £'000	Movement of funds Investment returns £'000	Donations/ (transfers) £'000	Balance 31 March 2026 £'000
Corbyn Memorial Fund	Grants and payments for Nautical Education	**233**	**9**	**(20)**	**222**
Thomas Gray Memorial Trust	Advancement of Maritime Technology and Science	**112**	**4**	**-**	**116**
Destitute Sailors Fund	Assisting distressed merchant seamen	**70**	**2**	**-**	**72**
Various	Providing subsidised berths and awards to Sea Cadets	**550**	**21**	**-**	**571**
Expendable Endowed Funds	Held for general purposes	**22,903**	**862**	**474**	**24,239**
		23,868	**898**	**454**	**25,219**

Donor	Purpose	Balance 1 April 2024 £'000	Movement of funds Investment returns £'000	Donations/ (transfers) £'000	Balance 31 March 2025 £'000
Corbyn Memorial Fund	Grants and payments for Nautical Education	*236*	*(3)*		*233*
Thomas Gray Memorial Trust	Advancement of Maritime Technology and Science	*113*	*(1)*		*112*
Destitute Sailors Fund	Assisting distressed merchant seamen	*71*	*(1)*		*70*
Various	Providing subsidised berths and awards to Sea Cadets	*557*	*(7)*		*550*
Expendable Endowed Funds	Held for general purposes	*17,254*	*(215)*	*5,863*	*22,903*
		18,231	*(227)*	*5,863*	*23,868*

17. DESIGNATED FUNDS

Fund	Balance 1 April 2025 £'000	Movement of funds Investment returns £'000	Donations/ (transfers) £'000	Balance 31 March 2026 £'000
Cadet Outreach	**83**	**-**	**-**	**83**
Boat station	**297**	**-**	**(101)**	**196**
SC future projects	**588**	**-**	**(25)**	**563**
Weapon & Ammunition equipment	**900**	**-**	**(900)**	**-**
	1,868	**-**	**(1,026)**	**842**

Fund	Balance 1 April 2024 £'000	Movement of funds Investment returns £'000	Donations/ (transfers) £'000	Balance 31 March 2025 £'000
Cadet Outreach	*83*			*83*
Boat station	*543*	*(246)*		*297*
SC future projects	*588*			*588*
Weapon & Ammunition equipment	*-*		*900*	*900*
	1,214	*(246)*	*900*	*1,868*

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP

2026	Intangible & tangible fixed assets £'000	Investments £'000	Net current assets and long term liabilities £'000	Total £'000
Restricted funds	10,725	2,585	-	13,310
Endowment funds	-	25,219	-	25,219
Designated funds	196	549	98	843
Unrestricted funds	3,751	-	(2,616)	1,135
Total	14,672	28,353	(2,518)	40,507

GROUP

2025	Intangible & tangible fixed assets £'000	Investments £'000	Net current assets and long term liabilities £'000	Total £'000
Restricted funds	*14,351*			*14,351*
Endowment funds		*23,868*		*23,868*
Designated funds	*431*	*537*	*900*	*1,868*
Unrestricted funds	*543*	*2,734*	*(1,980)*	*1,297*
Total	*15,325*	*27,139*	*(1,080)*	*41,384*

18. (Cont) CHARITY

2026	Intangible & tangible fixed assets £'000	Investments £'000	Net current assets and long term liabilities £'000	Total £'000
Restricted funds	**10,725**	**2,585**	**-**	**13,310**
Endowment funds	**-**	**25,219**	**-**	**25,219**
Designated funds	**196**	**549**	**97**	**842**
Unrestricted funds	**3,751**	**-**	**(2,641)**	**1,110**
Total	**14,672**	**28,353**	**(2,544)**	**40,481**

2025	Intangible & tangible fixed assets £'000	Investments £'000	Net current assets and long-term liabilities £'000	Total £'000
Restricted funds	*14,351*			*14,351*
Endowment funds		*23,868*		*23,868*
Designated funds	*431*	*537*	*900*	*1,868*
Unrestricted funds	*543*	*2,734*	*(1,984)*	*1,293*
Total	*15,325*	*27,139*	*(1,084)*	*41,381*

19. TAXATION

No corporation tax is payable due to the charitable status of the activities of the charity.

20. PENSION SCHEMES (GROUP AND CHARITY)

A number of former employees of the former Marine Society and of the Sea Cadet Association are members of the Merchant Navy Officers Pension Fund - MNOPF (New Section). The fund is active, though closed to future accrual on 31 March 2016. However, the MSSC continues to have a share of the net deficit in the fund.
The most up to date actuarial report is at 31 March 2024 valued assets in the scheme at £1,956M and the liabilities at £1,967M giving a rise to a scheme wide deficit of (£11M). As at the date of the 2024 valuation no deficit contributions were required. No share of assets and liabilities have been identified.
All current employees are members of a contract based defined contribution scheme. £559K (2025: *£531K)* was paid by the charity during the year of which £50K (2025: *£45K*) was outstanding at the year end and included in creditors.

21. RELATED PARTY TRANSACTIONS (CHARITY)

All payments are made on standard business terms (or better) and none were outstanding at the end of the year.

Organisation	**Relationship**	**Transaction nature**	**Amounts**
London Nautical School	One our Trustees is Headmaster (Michael Schofield)	Course fees	£13k
		Payment for consultancy	(£16k)
J&J Denholm	One our Trustees is employed (John Denholm)	Donation	£10k
Transactions of Interest			
Organisation	**Relationship**	**Transaction nature**	**Amounts**
Royal Albert Docks Trust	One of our Directors is a Trustee	Paying to rent space for MSSC Regatta	(£21k)
UK Chamber of Shipping	Two of our Trustees are Board members	Membership fee	(£1k)
International Chamber of Shipping	One our Trustees is a member	Membership fee	(£1k)
Worshipful Company of Shipwrights	Two of our Trustees are Wardens	Grant for bursaries	£13k
Trinity House	Two of our Trustees are Younger Brothers	Donation	£140k
Nautical Institute	One our Directors is a Fellow	Commercial payment to MS library	£3k
		Office rental	£144k

The charity was paid £nilK (2025: *£nil*) for management and accounting services from its subsidiary undertaking MSSC (Trading) Limited (note 8). A charitable donation amounting to £3K (2025: *£27k*) was received from the subsidiary. The charity anticipates receiving a charitable donation from the subsidiary of £21K in 2026/27 based on profits earned by the company in 2025/26. At the year end, the charity was owed £13K (2025: *£4K*) by the subsidiary and this amount is included in charity debtors.

21. RELATED PARTY TRANSACTIONS (CHARITY)(CONT)

The Chair of FIRA, Stuart Curl, and two employees, Jenny Howard and Paul Wilkinson, are directors of MSSC (Trading) Limited. Two Trustees, David Dingle and Jonathan Robertshaw are directors of the Sea Cadet Association.

22. STATUTORY INFORMATION

The Marine Society and Sea Cadets (MSSC) is a charity registered with the Charity Commission in England and Wales (registration number 313013) and with the Office of the Scottish Charity Regulator (registration number SC037808). The registered office is 200b Lambeth Road, London SE1 7JY.

23. FUNDS HELD AS AGENT

Balance b/fwd	Expenditure	Income	Balance c/fwd
(241)	971	(821)	(92)

MSSC administers the fund on behalf of Slater Foundation. This involves managing individual awards, payable to either students or educational institutions on behalf of the students. MSSC make these payments fortnightly and is reimbursed quarterly by Slater Foundation. In recognition of this Slater Foundation donates £30k to MSSC annually.

24. CONTINGENT LIABILITY

The charity is defending legal proceedings relating to historic claims for which in some cases insurance cover may not be available. At the balance sheet date, the matter remains at an early stage, with external legal advisers having only recently been instructed.

Based on the information currently available, the trustees are unable to conclude that an outflow of money is probable. Accordingly, no provision has been recognised in these financial statements.

Owing to the early stage of the proceedings and the uncertainty surrounding both liability and quantum, the trustees are currently unable to make a reliable estimate of the amount, if any, that may ultimately become payable, together with associated legal and expert costs.

25. EVENTS AFTER THE REPORTING PERIOD – FUTURE ROYAL NAVY FUNDING AND OPERATING ARRANGEMENTS

On 21 July 2026, the Royal Navy informed the Trustees that the Ministry of Defence is developing a new Cadet Strategy and is considering how the governance of, and support provided to, the Sea Cadet Corps may evolve beyond autumn 2027.

The Royal Navy has confirmed its continuing commitment to supporting the Sea Cadet Corps as a Ministry of Defence-sponsored Cadet Force and to preserving its identity, ethos and heritage. However, the review may result in changes to the respective roles and responsibilities of the Royal Navy and the Marine Society & Sea Cadets, including the governance and oversight of Sea Cadet activities and the nature and level of future financial support provided to the charity.

At the date on which these financial statements were approved, discussions were at an early stage and no decisions had been taken regarding the future level of Grant-in-Aid or other financial support. The Trustees are therefore unable to make a reliable estimate of the financial effect of any resulting changes.

The Trustees are engaging with the Royal Navy and the Ministry of Defence as the joint review progresses and are assessing the potential operational, financial implications and opportunities for the charity. As the review relates to arrangements that may take effect after autumn 2027, no adjustment has been made to the amounts recognised in these financial statements.

MSSC
MARINE SOCIETY & SEA CADETS

COUNCIL MEMBERS AND EXECUTIVE MANAGEMENT
YEAR ENDED 31 MARCH 2026

Council members and executive management during the year, and as at the date of this report, were:

PRESIDENT: Admiral Sir Philip Jones GCB DL

COUNCIL MEMBERS

The Council members who served during the year were:

Jeremy Penn MBE (Chair)
Léonie Austin [2] (Vice Chair)
Christine Baldwin MRICS [2, 3] (Retired Oct 2025)
Laurelle Brant [2, 3]
Stuart Curl [1, 2]
John Denholm CBE [1, 2]
David Dingle CBE [1, 2]
Gareth Hampton [1, 2]
Andy Helliwell [1, 2]
Kirsten Hopkins [2, 3]
Stephen Peck [2, 3]
Kate Richardson OBE [2, 3]
Jonathan Robertshaw [1, 2]
Deana Rouse MBE [1, 2, 4]
Michael Schofield [2, 3]
Steve Smith OBE [2, 3, 4]
Honor Wilson Fletcher MBE FRGS FBES [2, 3]
Vice Admiral Sir Jonathan Woodcock KCB OBE [2, 3, 4] (Retired Oct 2025)

Council Members are members of the following committees as annotated above.

1 The Finance, Investment, Remuneration and Audit Committee
2 The Policy Development and Nominations Committee
3 The Safety, Safeguarding, Inclusion & Risk Committee
4 The National Sea Cadets Advisory Council
5 The National Sea Cadets Forum

EXECUTIVE MANAGEMENT

Chief Executive Officer	Guy Holloway (Appointed 16 May 2025)
Captain Sea Cadets & Director of Operations*	Captain Neil Downing RN (Retired Dec 2025) Captain Hannah MacKenzie VR RN (Appointed Dec 2025)
Director of Finance & Digital and Company Secretary	Jenny Howard
Director of Young People, Volunteer & Business Support	Paul Wilkinson MBE
Director of Sea Cadet Learning	Heather Williams
Director of Fundraising and Communications	Daniel McAllister
Director of Human Resources	Petrina Brooker
Director of Maritime Training and Development	Darrell Bate

* provided on loan from the Royal Navy

MSSC
MARINE SOCIETY & SEA CADETS

PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2026

The principal professional advisers during the year were:

Auditors:	MHA 2 London Wall Place London EC2Y 5AU
Bankers:	National Westminster Bank plc 250 Regent Street London, W1B 3BN
	Royal Bank of Scotland plc 62-63 Threadneedle Street London, EC2R 8HP
Investment Advisers and Custodians:	Cazenove Capital 1 London Wall Place London EC2Y 5AU
	KW Investment Management Ltd 13 Austin Friars London, EC2N 2HE
	W1M Wealth Management Limited 12 Endeavour Square London E20 1JN
Legal advisers:	Farrer & Co LLP 66 Lincoln's Inn Fields London, WC2A 3LH
	Moon Beever 21A John Street London, WC1N 2BF
	Russell Cooke 2 Putney Hill London, SW15 6BA
Insurance Brokers:	Arthur J. Gallagher Insurance Brokers The Walbrook Building 25 Walbrook London, EC4N 8AW
Pension Advisers:	Mercer Limited 1 Tower Place West, Tower Place, London, EC3R 5BU
Registered Office:	200b Lambeth Road London, SE1 7JY ms-sc.org